



GOVERNMENT OF BERMUDA

Financial Statements

of the

Consolidated Fund

March 31, 2021

Issued by
Ministry of Finance
The Accountant General

**Government of Bermuda – Consolidated Fund
Financial Statements
March 31, 2021**

TABLE OF CONTENTS

Audited Financial Statements

| | |
|--|---|
| Statement of Responsibility | 1 |
| Independent Auditor’s Report..... | 2 |
| Statement of Financial Position..... | 5 |
| Statement of Operations and Accumulated Deficit..... | 6 |
| Statement of Change in Net Debt..... | 7 |
| Statement of Cash Flow..... | 8 |
| Notes to the Consolidated Financial Statements..... | 9 |

Schedules to the Financial Statements

| | |
|--|----|
| 1: Accounts Receivable..... | 53 |
| 2: Inventories for Consumption..... | 54 |
| 3: Due from Government Funds and Agencies..... | 55 |
| 3(a): Due to Government Funds and Agencies | 56 |
| 4: Long-Term Receivables..... | 57 |
| 5: Accounts Payable and Accrued Liabilities | 57 |
| 6: Deferred Revenue | 58 |
| 7: Interest Bearing Debt – Net of Sinking Fund | 59 |
| 8: Revenue by Type..... | 60 |
| 9: Revenue by Ministry/Department | 61 |
| 9(a): Interdepartmental Revenue by Ministry/Department | 63 |
| 10: Expenses by Program..... | 65 |
| 10(a): Current Expenses by Type..... | 67 |
| 10(b): Current Expenses by Ministry/Department..... | 68 |
| 10(c): Interdepartmental Current Expenses by Ministry/Department | 70 |
| 11: Tangible Capital Assets and Assets Under Construction..... | 72 |
| 12: Current Expenditure – Estimates compared to Expenditures | 73 |
| 13: Commitments – Legislated..... | 75 |
| 14: Public Debt – Legislated Limit..... | 76 |

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, 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.


Cheryl Ann Lister, CFA
Acting Financial Secretary


Dionne Morrison-Shakir, FCCA
Acting Accountant General

Hamilton, Bermuda
January 25, 2022



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INDEPENDENT AUDITOR'S REPORT

To the House of Assembly, the Governor and the Senate

Opinion

I have audited the Financial Statements of the Consolidated Fund of the Government of Bermuda, which comprise the Statement of Financial Position as at March 31, 2021, and the Statements of Operations and Accumulated Deficit, 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, the financial statements present fairly, in all material respects, the financial position of the Consolidated Fund as at March 31, 2021, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Basis for Opinion

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 opinion.

Other Information

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

Without qualifying my opinion, I wish to draw attention to the following:

Public Debt and Guarantees

As a result of a change in legislation in 2011, the Government Loans Act 1978 (the "Act"), as amended (2011), defines public debt as debt owed or guaranteed by the Consolidated Fund, but only if and when, and to the extent that, the guarantee obligation becomes due and payable by

the Government. The Act limits public debt (net of sinking fund assets) to \$3.5 billion as at March 31, 2021. The guarantees provided by the Consolidated Fund to various lenders, outside of public debt, totaled \$951 million as detailed in Notes 10 and 14. The Consolidated Fund is required to fulfill the guarantee obligations should there be any default.

Increasing Net Debt

In order to finance its annual operating deficits to fund operations, distribute financial support or funding announced by the government in response to the pandemic, replace maturing debt and acquire capital assets, Government has borrowed money from various lenders. The level of net debt has increased by \$388 million to \$4.6 billion as of March 31, 2021. The accumulated deficit and the related debt continue to grow.

Usefulness of these Financial Statements is Limited

As described in Note 2, these financial statements represent the financial transactions of the Consolidated Fund and have been prepared primarily to provide accountability for the financial resources appropriated by the Legislature of Bermuda. These financial statements are not summary financial statements of the Government of Bermuda.

Government business is transacted through other public funds and Government-controlled organizations such as the Bermuda Housing Corporation and the West End Development Corporation. Government's financial statements do not currently consolidate the results of these organizations with the Consolidated Fund. Consolidating these funds and organizations with the Consolidated Fund would mean that each organization's assets, liabilities and operating results would be incorporated into a set of summary financial statements that show the operating results and the financial position of the whole of Government.

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 liquidate the Consolidated Fund or 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 we 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.



Heather Thomas, CPA, CFE, CGMA
Auditor General

Hamilton, Bermuda
January 25, 2022

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

| | | 2021 Actual | 2020 Actual |
|--|-----------------|----------------------|-------------------------|
| | | \$ | \$ |
| Liabilities | | | |
| | <u>Schedule</u> | | |
| Accounts Payable and Accrued Liabilities | 5 | 147,491,910 | 164,955,892 |
| Bank Overdraft (Note 15 (a)) | | - | 34,758,209 |
| Deferred Revenue (Note 16) | 6 | 14,996,291 | 15,469,017 |
| Deferred Insurance Proceeds (Note 16) | | 1,286,551 | 2,747,180 |
| | | <u>163,774,752</u> | <u>217,930,298</u> |
| Interest Bearing Debt - Net of Sinking Fund | 7 | 3,001,528,805 | 2,646,030,114 |
| | | <u>3,001,528,805</u> | <u>2,646,030,114</u> |
| Pensions and Other Employee Future Benefits | | | |
| - Pensions and Retirement Benefits (Note 9(g)) | | 1,751,448,297 | 1,620,061,825 |
| - Compensated Absences (Note 8) | | 34,082,373 | 32,514,162 |
| | | <u>1,785,530,670</u> | <u>1,652,575,987</u> |
| Other Liabilities | | | |
| Due to Government Funds and Agencies | 3(a) | 13,674,049 | 12,454,353 |
| Total Liabilities | | 4,964,508,276 | 4,528,990,752 |
| Financial Assets | | | |
| Cash ¹ | | 61,224,502 | 26,261,542 |
| Accounts Receivable | 1 | 195,527,662 | 199,224,538 |
| Due from Government Funds and Agencies | 3 | 77,974,561 | 63,615,962 |
| Morgan's Point / Caroline Bay (Note 17) | | 1,000 | 1,000 |
| Investment in BLDC (Note 14(b)(iv)) | | 5,000,000 | 5,000,000 |
| Discount on Interest Bearing Debt (Note 15(c)) | | 6,141,706 | 3,971,966 |
| Long-Term Receivables | 4 | 535,505 | 551,242 |
| Total Financial Assets | | 346,404,936 | 298,626,250 |
| Net Debt | | 4,618,103,340 | 4,230,364,502 |
| Non-Financial Assets | | | |
| Tangible Capital Assets | 11 | 603,803,895 | 633,064,632.00 |
| Assets under Construction | 11 | 52,941,470 | 39,368,311.00 |
| Inventories for Consumption | 2 | 15,003,350 | 12,542,728.00 |
| Prepaid Expenses | | 4,690,311 | 5,092,113.00 |
| Total Non-Financial Assets | | 676,439,026 | 690,067,784.00 |
| Accumulated Deficit | | 3,941,664,314 | 3,540,296,718.00 |

¹ Cash includes \$358,234 (2020 - \$595,506) of restricted cash which represents monies collected from court orders.

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

| | | 2021 | 2020 |
|---|-------------------------|------------------------|-----------------|
| | | Actual ¹ | Actual |
| | | \$ | \$ |
| Revenue | <u>Schedule</u> 8, 9 | | |
| Taxes & Duties | | | |
| Payroll Tax | | 438,798,268 | 465,018,186 |
| Customs Duty | | 202,218,140 | 221,897,400 |
| Land Tax | | 83,968,457 | 84,498,029 |
| Other Taxes and Duties | | 72,015,802 | 75,353,844 |
| Passenger Tax | | (17,715) | 31,907,237 |
| Total Taxes & Duties | | 796,982,952 | 878,674,696 |
| Fees, Permits & Licenses | | 168,819,100 | 182,592,611 |
| Other Revenue | | 30,067,216 | 22,604,651 |
| Investment Income | | 2,410,794 | 2,479,233 |
| Total Revenue | | 998,280,062 | 1,086,351,191 |
| Expenses | 10 | | |
| Economic Development | | 341,322,615 | 557,298,055 |
| Health | | 207,734,938 | 206,916,079 |
| National Security | | 167,574,373 | 170,040,210 |
| Social Services & Assistance | | 148,393,924 | 90,522,394 |
| Pensions and Retirement Benefits Expense (Note 9(g)) | | 132,954,684 | 78,070,547 |
| Interest on Debt | | 129,363,404 | 120,481,890 |
| Education | | 127,431,003 | 136,365,095 |
| Other Government Services | | 85,620,236 | 72,819,966 |
| Early Tender Premium on Repurchased Debt (Note 15(b)) | | 59,252,481 | - |
| Total Expenses | | 1,399,647,658 | 1,432,514,236 |
| Annual Deficit | | (401,367,596) | (346,163,045) |
| Accumulated Deficit, Beginning of Year | | (3,540,296,718) | (3,194,133,673) |
| Accumulated Deficit, End of Year | | (3,941,664,314) | (3,540,296,718) |

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

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

| | 2021 | 2020 |
|--|------------------------|-----------------|
| | Actual | Actual |
| | \$ | \$ |
| Annual Deficit | (401,367,596) | (346,163,045) |
| Change Due to Tangible Capital Assets: | | |
| Additions to Tangible Capital Assets | (19,149,618) | (17,721,610) |
| (Gain) Loss on Disposal or Impairment of Tangible Capital Assets and Adjustments | 198,876 | 1,164,796 |
| Net Additions to Assets under Construction | (13,573,159) | (17,522,534) |
| Amortization of Tangible Capital Assets | 48,211,479 | 52,239,447 |
| Total Change Due to Tangible Capital Assets | 15,687,578 | 18,160,099 |
| Net (Additions) Reductions to Inventories for Consumption | (2,460,622) | 121,439 |
| Net Additions to Prepaid Expenses | 401,802 | (1,617,876) |
| Total Change Due to Inventories for Consumption and Prepaid Expenses | (2,058,820) | (1,496,437) |
| Increase in Net Debt | (387,738,838) | (329,499,383) |
| Net Debt, Beginning of Year | (4,230,364,502) | (3,900,865,119) |
| Net Debt, End of Year | (4,618,103,340) | (4,230,364,502) |

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

| | 2021 Actual | 2020 Actual |
|---|--------------------|---------------------|
| | \$ | \$ |
| Operating Activities | | |
| Annual Deficit ¹ | (401,367,596) | (346,163,045) |
| Items not affecting cash: | | |
| Amortization of Tangible Capital Assets | 48,211,479 | 52,239,447 |
| Increase in Pension and Retirement Benefits Liability | 131,386,472 | 76,687,437 |
| Increase in Compensated Absences Liability | 1,568,211 | 1,383,110 |
| Loss on Disposal or Impairment of Tangible Capital Assets and Adjustments | 198,876 | 1,164,796 |
| (Increase) Decrease in Non-Cash Working Capital | (33,052,187) | 29,834,026 |
| Cash Applied to Operating Activities | (253,054,745) | (184,854,229) |
| Capital Activities | | |
| Additions to Tangible Capital Assets | (19,149,618) | (17,721,610) |
| Net Additions to Assets under Construction | (13,573,159) | (17,522,534) |
| Cash Applied to Capital Activities | (32,722,777) | (35,244,144) |
| Financing Activities | | |
| Debt Issues | 1,350,000,000 | 187,360,979 |
| Sinking Fund (Contribution) Application of Funds | (307,140,330) | 177,581,965 |
| Repayment of Debt | (687,360,979) | (180,000,000) |
| Cash Provided by Financing Activities | 355,498,691 | 184,942,944 |
| Net Increase (Decrease) in Cash | 69,721,169 | (35,155,429) |
| Cash, Beginning of Year | (8,496,667) | 26,658,762 |
| Cash (Overdraft, net of Cash), End of Year | 61,224,502 | (8,496,667) |
| Cash, End of Year | | |
| Cash | 61,224,502 | 26,261,542 |
| Bank Overdraft | - | (34,758,209) |
| Cash, End of Year | 61,224,502 | (8,496,667) |

1 - Interest received during the year was \$1,633,743 (2020 - \$2,479,233). Interest received is made up of interest income from the Statement of Operations and Accumulated Deficit in the amount of \$1,637,034 (\$2020 - \$2,449,402) plus the change in accrued interest receivable in the amount of \$3,291 (2020- \$29,831). Interest paid during the year was \$124,284,980 (2020 - \$120,345,877). Interest paid is made up of interest expense from the Statement of Operations and Accumulated Deficit in the amount of \$125,546,915 (2020 - \$115,789,132) less the change in accrued interest payable in the amount of \$1,261,935 (2020 - \$4,556,744).

Government of Bermuda – Consolidated Fund

Notes to the Financial Statements

March 31, 2021

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. 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.

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.

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

(b) Revenues

Revenues are accounted for in the fiscal year in which the transactions or events occurred that gave rise to the revenues.

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

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

Payroll, 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, 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.

(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 2020/21 (the "Approved Estimates").

(d) Interdepartmental Revenues and Expenses

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

(e) Financial Assets

Financial assets are resources that can be used to discharge existing liabilities or finance future operations. They include cash, 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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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

(e) Financial Assets (cont'd)

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

Investments in QUANGOs are recorded at cost.

(f) Non-Financial Assets

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

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

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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

(f) Non-Financial Assets (cont'd)

| | |
|---|---------------|
| 4 or More Wheeled Vehicles | |
| \$0 to \$99,999 | 5 years |
| \$100,000 and above | 7 years |
| Boats & Vessels | |
| \$10,000 to \$99,999 | 5 years |
| \$100,000 and above | 10 years |
| Capital Leases | |
| \$3,000 and above | 3- 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 | 10 years |
| Furniture & Fixtures | |
| \$3,000 and above | 7 years |
| Office Equipment | |
| \$3,000 and above | 5 years |
| Plant, Machinery & Equipment | |
| \$50,000 and above | 10 – 30 years |
| Infrastructure | |
| \$50,000 to \$199,999 | 10 years |
| \$200,000 and above | 40 years |

The Ministry of Public Works is primarily responsible for Government's tangible capital assets. 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.

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

(f) Non-Financial Assets (cont'd)

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.

(g) Liabilities

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

(h) Translation of Foreign Currencies

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

(i) Measurement Uncertainty

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. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable amount, as there is whenever estimates are used.

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

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

(i) Measurement Uncertainty (cont'd)

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.

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.

Certain estimates used in these financial statements may be subject to measurement uncertainty due to the COVID-19 pandemic. Actual results could differ from these estimates.

(j) Risk Management

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

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

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

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

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

(j) Risk Management (cont'd)

Liquidity risk is the risk that financial commitments will not be met over the short term. This risk is 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.

(k) Future Changes in Accounting Standards

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

PSAB has deferred the effective dates of all upcoming pronouncements by one year.

New standards effective for fiscal years beginning on or after April 1, 2022 include:

PS 3450 Financial Instruments – a new standard providing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 1201 Financial Statement Presentation – replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements.

PS 2601 Foreign Currency Translation – replaces PS 2600 and has revised standards on accounting for and reporting transactions denominated in a foreign currency.

PS 3041 Portfolio investments – when Sections PS 1201, PS 2601 and PS 3450 are adopted.

PS 3050 Loans Receivable (Effective Interest Method) – replaces paragraph PS 3050.25 and establishes that a loan discount should be amortized using the effective interest rate method.

PS 3280 Asset Retirement Obligations – a new accounting standard that addresses the reporting of legal obligations associated with the retirement of tangible capital assets.

New standards effective for fiscal years beginning on or after April 1, 2023:

PS 3400 Revenue – a new accounting standard that will address recognition, measurement and presentation of revenues that are common in the public sector.

PSG-8 Purchased Intangibles - a new guideline that explains the scope of intangibles allowed to be recognized in financial statements.

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

(k) Future Changes in Accounting Standards (Cont'd)

PS 3160 Public private partnerships - a new accounting standard that establishes how to account for public private partnership arrangements.

The Government does not intend to adopt these new standards prior to the effective dates. An assessment will be done to determine the impact that these standards will have on the financial statements.

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, 2020 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.

(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(f). For budget purposes, amortization is not considered expenditure.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021**

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

(b) Comparison of Expenses to Estimates and Expenditures (Cont'd)

(vi) Environmental Liability – As explained in Note 10(c), the Government has recognized a cost of restoration of land. Changes in the environmental 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(d).

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.

| 2020 | | 2021 | | | |
|---------------------|---------------------|----------------------|-----------------|-----------------|---------------------|
| \$ | | \$ | | | |
| Sinking Fund | Excess Funds | Contributions | Earnings | Payments | Sinking Fund |
| 41,330,865 | 305,500,000 | - | 1,640,330 | - | 348,471,195 |

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(b).

On June 21, 2019 an amendment to the Government Loans Act 1978 was tabled and passed in the Legislature. It was passed in the senate on July 3, 2019. 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 2020/2021.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

5. Government Borrowing Sinking Fund (cont'd)

The assets of the GBSF are comprised of the following:

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| | \$ | \$ |
| Cash & Cash Equivalents | 112,322,292 | 11,166,653 |
| Fixed Income Securities | 229,982,003 | 29,995,787 |
| Securities Sold Receivable | 5,630,894 | - |
| Interest Receivable | 536,006 | 168,425 |

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.

The Minister of Finance authorized a supplementary estimate of \$2.8 million on April 1, 2020 to replace the sum advanced from the Contingencies Fund by the Minister of Health to process urgent procurement in relation to pandemic management by the Government.

7. Unemployment Insurance Fund

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

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

On August 10, 2011 the Government amended the Public Treasury (Administration and Payments) Act 1969 as amended in order to make further 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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

7. Unemployment Insurance Fund (cont'd)

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 will be for a maximum period of eighteen months from the date the application is approved with the final payment to be made in March 2022. The regulation was amended on March 26, 2021 to extend the payment of supplemental unemployment benefits by a further three months to June 30, 2021.

During fiscal year 2021, the Minister approved funding up to \$60 million from the Fund for the newly legislated Unemployment Benefit Payments as laid out above. The funding was in the form of a supplemental grant from the Consolidated Fund.

During the year, \$58.7 million was paid out in unemployment benefits and supplemental unemployment benefits as follows:

| | 2021 |
|---|-------------------|
| | \$ |
| Temporary Unemployment Benefit | 56,876,862 |
| Supplemental Unemployment Benefit | 871,219 |
| Bars Clubs and Nightclub Unemployment Benefit | 595,500 |
| Quarantine Unemployment Benefit | 211,746 |
| Bars Clubs and Restaurants Unemployment Benefit | 123,500 |
| TOTAL | <u>58,678,827</u> |

In addition a total of \$385,999 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 2019 was the last audit of the Fund. See also Note 22(e) (ii).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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 on the basis of 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, 2020. An actuarial extrapolation was performed to March 31, 2021 based on the results of the previous valuation, using similar various long-term assumptions as the Public Service Superannuation Fund (the “PSSF”) pension plan (Note 9 (d)). The closing discount rate used for pre-retirement leave benefits calculations was changed to 4.00% (2020 - 4.25%) following a review and validation of the assumptions used for the March 31, 2021 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 change in the closing discount rate has resulted in an increase in the liabilities reported in the Statement of Financial Position for the financial year ended March 31, 2021.

The valuation determined that the liability for compensated absences at March 31, 2021 is \$34,082,373 (2020 - \$32,514,162), as detailed in the table below.

| For the year ended March 31 | 2021 | 2020 |
|---|-------------|-------------|
| | \$ | \$ |
| Liability for Compensated Absences | | |
| Accrued Benefit Obligation | 34,957,121 | 32,326,445 |
| Net Unamortized Experience (Loss) Gain ^(a) | (874,748) | 187,717 |
| | 34,082,373 | 32,514,162 |
| | 34,082,373 | 32,514,162 |

^(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.

| For the year ended March 31 | 2021 | 2020 |
|---|-------------|-------------|
| | \$ | \$ |
| Liability for Compensated Absences, beginning of year | 32,514,162 | 31,131,052 |
| Amortization of experience gain | (325,575) | (466,815) |
| Current period benefit cost | 1,899,062 | 1,589,069 |
| Interest accrued | 1,384,692 | 1,797,216 |
| Benefit payments | (1,389,968) | (1,536,360) |
| | 34,082,373 | 32,514,162 |
| | 34,082,373 | 32,514,162 |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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 a year’s basic salary of the Member at the date of his death. The effect of this change is considered to be immaterial to the MMLPF and was not factored in the actuarial extrapolation performed as at March 31, 2021.

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.

In July 2020 the Government enacted the Public Service Superannuation Temporary Amendment Act 2020 and the Ministers and Members of the Legislature (Salaries and Pensions) Amendment Act 2020, to allow for a one year suspension of the Government’s Contributions and an optional one year suspension of a contributor’s contributions. For the MMLPF the suspension period runs from July 1, 2020 to June 30, 2021. For the PSSF the suspension period runs from August 1, 2020 to July 31, 2021 for most members. The suspension period for teachers runs from September 1, 2020 to August 31, 2021 and for police officers from November 1, 2020 to October 31, 2021. The suspension of contributors’ contributions was taken into consideration by the actuaries when preparing the accounting schedules for the future pension obligations. Government made contributions to each plan during the year as follows: PSSF - \$11,223,459 (2020-\$30,933,603), MMLPF - \$120,089 (2020 - \$477,787). 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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

(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, 2020. The results were then extrapolated to March 31, 2021, 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 2020 valuation, and this review resulted in a change to the closing discount rate for the PSSF and MMLPF. The change in the closing discount rate has resulted in an increase in the liabilities reported in the Statement of Financial Position. Assumptions relating to the retirement age, termination rates, salary increase rates and marital status at retirement, supported by the results of Experience Studies performed for the March 2017 valuation, remain unchanged.

These assumptions were used in the actuarial extrapolation of the PSSF and MMLPF liabilities at March 31, 2021. 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 \$601,016,160 as at March 31, 2021 (2020 - \$609,744,467) compared to a real market value of \$649,293,381 (2020 - \$559,934,653).

For the MMLPF, there is no difference between the market value of plan assets and the market-related value. At March 31, 2021 the value was \$9,365,534 (2020 - \$10,859,475). The actual return on plan assets during the year was -27.3% (2020 - -13.89%) for the PSSF and 3.33% (2020 - 3.44%) for the MMLPF.

At March 31, 2021, \$7,675,550 was due from the PSSF (2020 - \$2,081,442) in respect of benefits paid in excess of contributions received by the Fund (Schedule 3). At March 31, 2021 \$9,595,311 (2020 - \$11,057,460) was due to the MMLPF in respect of contributions received in excess of benefits paid by the Fund (Schedule 3(a)).

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

(b) Pension Liability (cont'd)

| For the year ended March 31 | 2021 | 2020 |
|------------------------------------|---------------|---------------|
| | \$ | \$ |
| Pension Liability | | |
| Accrued Benefit Obligation | | |
| PSSF | 1,679,626,000 | 1,635,652,000 |
| MMLPF | 31,565,000 | 31,660,000 |
| | 1,711,191,000 | 1,667,312,000 |
| Net Fund Assets | | |
| PSSF | (601,016,000) | (609,744,000) |
| MMLPF | (9,366,000) | (10,859,000) |
| | (610,382,000) | (620,603,000) |

| For the year ended March 31 | 2021 | 2020 |
|--|---------------|---------------|
| | \$ | \$ |
| Net Unamortized Experience Gain^a | | |
| PSSF | 23,598,000 | 12,847,000 |
| MMLPF | 1,212,000 | 1,785,000 |
| | 24,810,000 | 14,632,000 |
| Pension Liability | | |
| PSSF | 1,102,208,000 | 1,038,755,000 |
| MMLPF | 23,411,000 | 22,586,000 |
| Carried Forward to Note 9 (g) | 1,125,619,000 | 1,061,341,000 |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

(b) Pension Liability (cont'd)

Accrued Benefit Obligation
For the year ended March 31

| | 2021 | | | 2020 |
|--|-----------------|--------------|-----------------|-----------------|
| | PSSF | MMLPF | Total | |
| | \$ | \$ | \$ | \$ |
| Accrued benefit obligation at beginning of year | 1,635,652,000 | 31,660,000 | 1,667,312,000 | 1,599,040,000 |
| Current Period Benefit Cost | 29,170,000 | 603,000 | 29,773,000 | 47,876,000 |
| Interest Accrued on benefits | 101,347,000 | 1,934,000 | 103,281,000 | 104,177,000 |
| Benefit payments | (86,543,000) | (2,632,000) | (89,175,000) | (88,380,000) |
| Expected accrued benefit obligation at end of year | 1,679,626,000 | 31,565,000 | 1,711,191,000 | 1,662,713,000 |
| Actual accrued benefit obligation at end of year | (1,679,626,000) | (31,565,000) | (1,711,191,000) | (1,667,312,000) |
| Experience loss | - | - | - | (4,599,000) |

^(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, 2021

9. Pensions and Retirement Benefits (cont'd)

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

| For the year ended March 31 | 2021 | 2020 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Pension Expense | | |
| Cost of Pension Benefits | 29,773,000 | 47,876,000 |
| Employee Contributions | (18,468,000) | (31,412,000) |
| Interest on Pension Liability | 66,332,000 | 64,231,000 |
| 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 | - |
| Pensions Expense excluding Employer Contribution | <u>76,148,000</u> | <u>77,205,000</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.

Actuarial Assumptions – PSSF

| Economic Assumptions | | |
|---|-----------------|-------------|
| Investment rate | 6.25% per annum | |
| Inflation Rate | 3.00% per annum | |
| Interest credited on employee contributions | 4.00% per annum | |
| Salary increase rates | Age band | % per annum |
| | 20-25 | 6.00 |
| | 25-30 | 6.00 |
| | 30-35 | 5.10 |
| | 35-40 | 4.40 |
| | 40-45 | 4.15 |
| | 45-50 | 4.10 |
| | 50-55 | 3.90 |
| | 55-60 | 3.65 |
| 60-65 | 3.45 | |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

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

Actuarial Assumptions – MMLPF

| Economic Assumptions | |
|-----------------------------|------------------|
| Investment rate | 6.25% per annum |
| Inflation Rate | 3.00% per annum |
| Salary increase rate | 3.50 % 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 21.8 years for men and 25.6 years for women.

Impact of changes on the main assumptions on the value of the ABO relating to PSSF benefits at March 31, 2021:

| Assumption | Change | (Reduction) Increase in ABO | |
|----------------------|-----------------|------------------------------------|----------|
| | | \$ | % |
| Discount rate | 1.0% increase | (182,896,000) | (10.9) |
| | 1.0% decrease | 226,518,000 | 13.5 |
| Salary increase rate | 1.0% increase | 71,230,000 | 4.2 |
| | 1.0% decrease | (62,510,000) | (3.7) |
| Life expectancy | 1 year increase | 27,356,000 | 1.6 |
| | 1 year decrease | (28,236,000) | (1.7) |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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 MMLPF benefits as at March 31, 2021:

| Assumption | Change | (Reduction) Increase in ABO | |
|----------------------|-----------------|-----------------------------|-------|
| | | \$ | % |
| Discount rate | 1.0% increase | (3,065,000) | (9.7) |
| | 1.0% decrease | 3,669,000 | 11.6 |
| Salary increase rate | 1.0% increase | 809,000 | 2.6 |
| | 1.0% decrease | (750,000) | (2.4) |
| Life expectancy | 1 year increase | 785,000 | 2.5 |
| | 1 year decrease | (803,000) | (2.5) |

(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.

In June 2020 the Government enacted the Contributory Pension Temporary Amendment Act 2020 to allow for a one year suspension of contributions paid by employers, with the agreement of the employee and an optional one year suspension of the employee’s contribution. The suspension period runs from July1, 2020 to June 30, 2021.

(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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

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

An actuarial calculation of the Government's ABO for retirement benefits other than pensions was performed for accounting purposes at March 31, 2020, using various long-term assumptions. The results were then extrapolated to March 31, 2021 using the same, 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 4.00 % (2020- 4.25%) following a review and validation of the assumptions used for the March 31, 2021 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 plan.

The change in the discount rate has resulted in an increase in the liabilities reported in the Statement of Financial Position. The assumed healthcare cost trend rate used was 6.3% (2020 - 6.3%). This trend rate decreases by 0.3% per annum to reach an ultimate rate of 4.2%. 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:

| | 2021 | 2020 |
|--|--------------------|----------------------|
| | \$ | \$ |
| Accrued benefit obligation at beginning of year | 779,397,565 | 460,791,789 |
| Current period benefit cost | 29,465,003 | 17,176,477 |
| Interest accrued | 33,521,239 | 30,162,958 |
| Benefit payments | (10,790,057) | (10,669,043) |
| Accrued benefit obligation at end of year | <u>831,593,750</u> | <u>497,462,181</u> |
| Expected accrued benefit obligation at end of year | 831,593,750 | 497,462,181 |
| Actual accrued benefit obligation at end of year | 841,552,405 | 779,397,564 |
| Experience loss | <u>(9,958,655)</u> | <u>(281,935,383)</u> |
| | 2021 | 2020 |
| Expected average remaining service life | 14 years | 14 years |
| Annual loss amortization | (\$711,333) | (\$20,138,242) |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

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

Liability for retirement benefits recorded in the statement of financial position

| | 2021 | 2020 |
|---|----------------------|----------------------|
| | \$ | \$ |
| Accrued benefit obligation, end of year | 841,552,405 | 779,397,564 |
| Unamortized experience loss | <u>(215,723,108)</u> | <u>(220,676,739)</u> |
| Liability for retirement benefits (Note 9(g)) | <u>625,829,297</u> | <u>558,720,825</u> |

Expenses recorded in the statement of operations and accumulated deficit

| | 2021 | 2020 |
|---|-------------------|--------------------|
| | \$ | \$ |
| Current period benefit cost | 29,465,003 | 17,176,477 |
| Amortization of experience gains (losses) | <u>14,912,287</u> | <u>(5,225,955)</u> |
| Retirement benefit expense | 44,377,290 | 11,950,522 |
| Retirement benefit interest expense | 33,521,239 | 30,162,958 |
| Total expenses related to retirement benefits | <u>77,898,529</u> | <u>42,113,480</u> |

(g) Pensions and Retirement Benefits Liability and Expense Summary

| | 2021 | 2020 |
|---|----------------------|----------------------|
| | \$ | \$ |
| Pensions (Note 9(b)) | 1,125,619,000 | 1,061,341,000 |
| Retirement Benefits other than Pensions – Health Insurance Scheme (Note 9(f)) | <u>625,829,297</u> | <u>558,720,825</u> |
| Total Pensions and Retirement Benefits Liability | <u>1,751,448,297</u> | <u>1,620,061,825</u> |

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

9. Pensions and Retirement Benefits (cont'd)

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

| | 2021 | | | 2020 |
|--|---------------|----------------|--------------|--------------|
| | Pension Plans | Other Benefits | Total | Total |
| | \$ | \$ | \$ | \$ |
| Current period benefit cost | 29,773,000 | 31,364,065 | 61,137,065 | 66,641,546 |
| Amortization of experience gains | (1,489,000) | 14,586,712 | 13,097,712 | (9,182,770) |
| Employee contributions | (18,468,000) | | (18,468,000) | (31,412,000) |
| Interest on accrued benefits | 66,332,000 | 34,905,931 | 101,237,931 | 96,191,174 |
| Employer contributions | (11,870,000) | (12,180,024) | (24,050,024) | (44,167,403) |
| Pensions and retirement benefits expense | 64,278,000 | 68,676,684 | 132,954,684 | 78,070,547 |

10. Contingent Liabilities

(a) Guarantees

Hotel Bermuda Holdings Ltd. (“HBH”) Guarantee

The Government has a Master Development Agreement (“MDA”) with HBH, a part of the Desarrollos Hotelco 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, 2021 amounted to \$25,000,000 (2020 - \$24,790,000).

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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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, 2021 is \$ 20,203,692 (2020 - \$15,327,936).

(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 \$23,743,465 (2020 - \$23,743,465) 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 estimated range is \$18.4 million to \$21 million.

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 \$17.4 million (with a range of \$17.4 million to \$19 million) to remove environmental hazards and fuel storage tanks, removal and remediation of asbestos, as well as demolition of derelict buildings. To be conservative, the Morgan's Point provision is set at \$22.7 million, comprised of the prior year provision as no additional expenditures were incurred during the current year.

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

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

(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 has been

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

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)

subsequently extended after quarterly review to the remaining quarters of the fiscal year so that consideration could be given to an extension of relief for as long as the economic situation required.

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 subsequently extended to March 2021.

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, 2021 was \$2,134,661 (2020 - \$2,494,995), which may be applied against any future payroll tax or hotel occupancy tax incurred by the applicable hotels.

In addition to this amount, \$64,489,394 (2020 - \$69,196,336) 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 10 November 2017. As a result, the Hotel Concession Act 2000 has been discontinued and several hotel concessions were revoked.

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)

Large hotel occupancy tax receivables from prior years have been relieved by non-cash concessions along with reduced hotel occupancy have resulted in the credit position of the current year's revenue balances shown on Schedule 8 of the financial statements.

(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 cannot be determined as the structure does not exist and the value of these concessions is not capped.

(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 Order 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, 2021 was \$379,239. The total estimated relief resulting from this order has not been determined.

(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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

10. Contingent Liabilities (cont'd)

(i) Nautilus Hotel

In August 2021, with an operative date of 9th August 2020, the Tourism Investment (Nautilus Hotel) Order 2021 was approved. The total estimate 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:

| | \$ |
|--------------------------------------|------------------|
| 2022 | 8,021,656 |
| 2023 | 3,175 |
| 2024 | 3,175 |
| 2025 | 3,175 |
| 2026 | 33,926 |
| 2027 and subsequent | <u>-</u> |
| Total Future Operational Obligations | <u>8,065,107</u> |

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 \$374,308 for the year (2020 - \$337,898).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

12. Contractual Obligations (cont'd)

(a) Capital Leases (cont'd)

The following is an analysis of the leases:

| | 2021 | 2020 |
|------------------------------------|-------------------------|-------------------------|
| | \$ | \$ |
| Present value of lease cost | 7,543,133 | 8,642,675 |
| Less: Accumulated amortization | <u>(5,234,294)</u> | <u>(6,223,511)</u> |
| Present value of lease obligations | <u><u>2,308,839</u></u> | <u><u>2,419,164</u></u> |

The following is a schedule of discounted future minimum lease payments under leases expiring up to August 31, 2026:

| | \$ |
|------------------------------------|-------------------------|
| 2022 | 449,813 |
| 2023 | 416,625 |
| 2024 | 387,087 |
| 2025 and subsequent | <u>1,055,314</u> |
| Present value of lease obligations | <u><u>2,308,839</u></u> |

(b) Contractual Obligations

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

12. Contractual Obligations (cont'd)

(b) Contractual Obligations (cont'd)

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

| | \$ |
|-------------------------------|--------------------------|
| 2022 | 20,355,627 |
| 2023 | 11,899,841 |
| 2024 | 2,512,447 |
| 2025 | 1,759,445 |
| 2026 | 488,138 |
| 2027 and subsequent | <u>-</u> |
| Total Contractual Obligations | <u><u>37,015,498</u></u> |

(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:

| | \$ |
|---|--------------------------|
| 2022 | 7,535,642 |
| 2023 | 6,511,366 |
| 2024 | 4,937,748 |
| 2025 | 3,197,520 |
| 2026 | 2,188,217 |
| 2027 and subsequent | <u>7,625,771</u> |
| Total Future Minimum Operating Lease Payments | <u><u>31,996,264</u></u> |

13. Supplementary Estimates and Virements (Transfers)

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

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

During the year, \$140,249,967 (2020 - \$Nil) in Supplementary Estimates were approved and spent which consisted of \$135,573,057(2020 - \$Nil) for current expenditure and \$4,676,910 (2020 - \$Nil) for capital expenditure.

During the year \$3,596,617 (2020 - \$8,745,175) in virements were approved and transferred which consisted of \$2,025,899 (2020 - \$3,109,003) for current expenditure and \$1,570,718 (2020 - \$5,636,172) for capital expenditure.

Additional expenditures of \$1,037 (2020 - \$21,124,184) were incurred in excess of amounts appropriated by the Ministry and will require final approval, which consisted of \$Nil (2020 - \$17,928,087) for current expenditure and \$1,037 (2020 - \$3,196,097) for capital expenditure.

Additional virements of \$24,172,694 (2020 - \$15,653,593) require final approval and transfer, which consisted of \$21,121,153 (2020 - \$10,186,335) for current expenditure and \$3,051,541 (2020 - \$5,467,258) for capital expenditure.

14. Related Party Transactions

(a) Funds

The Fund is related to the GEHI Fund, the CPF, the MMLPF, the Bermuda Department of Tourism North America Retirement Plan, the PSSF, the Confiscated Assets Fund, the 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 (2020 - 3.5% per annum).

(b) QUANGOs and Other Government-Related Organizations

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

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

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

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 \$30.1 million (2020 – \$27.4 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, 2021 is \$787.7 million (2020 – \$816.6 million).

14. Related Party Transactions (cont'd)

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

(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, 2021 is \$1,359,875 (2020 - \$1,480,310).

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. The programme will provide relief in response to the significant impact of COVID-19 on Bermuda’s small and medium-sized businesses.

(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 profit as at December 31, 2020, however the entire amount was transferred to the BMA General Reserve in accordance with Section 8(2)(a) of the aforementioned Act. Therefore as at March 31, 2021 \$Nil is owed to Government.

(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 Minister of Finance the Government provided a letter of comfort to Clarien Bank Limited. (“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.

14. Related Party Transactions (cont'd)

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

(iv) Bermuda Land Development Company Limited (“BLDC”) (cont'd)

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”)

On July 12, 2011, the Government provided a letter of comfort to Butterfield Bank (“BNTB”) on behalf of BHC, which states, “To the extent that the BHC operates programmes which do not break even, the Government appropriates annual grants which enable BHC to comply with its legislation.” The annual grant awarded for the year ended March 31, 2021 was \$11,050,000 (2020 - \$12,325,000).

(vi) WEDCO Guarantee

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.
- 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 balance of the new credit facility as at March 31, 2021 was \$51,256,964 (2020 - \$53,056,968).

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.

14. Related Party Transactions (cont'd)

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

(vi) WEDCO Guarantee (cont'd)

The BNTB loan facility will be serviced by grants in the coming years. The balance outstanding on the loan facility as at March 31, 2021 was \$13,651,849.

(vii) BHC Guarantee

BHC has a loan of \$36.7 million from BNTB, borrowed to finance the purchase of the units of phase three of the Grand Atlantic Housing Development (“Grand Atlantic”) and to repay the loans advanced by the bank for Grand Atlantic phases one and two. The balance outstanding as at March 31, 2021 was \$29,300,000 (2020 - \$29,300,000).

The Ministry of Finance guaranteed to make good any default on the part of BHC in the payment of the loan to BNTB and all related interest fees and charges due as a result of default by BHC until all indebtedness to BNTB has been fully discharged. See also Note 22 (c)(iv)

(viii) Regulatory Authority (the “RA”)

On February 25, 2019, the Government provided a letter of comfort to Clarien Bank Limited. (“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 Revolving Line of Credit with Clarien in the amount of \$1,500,000. This facility which expires on September 30, 2021 bears a fixed interest of 5.0% per annum. As at March 31, 2021, the RA had a drawdown of \$1,000,000 (2020 - \$1,015,081) and interest due of \$1,507 (2020 - \$982).

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, 2021 was \$Nil (2020 - \$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

14. Related Party Transactions (cont'd)

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

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

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. 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.

14. Related Party Transactions (cont'd)

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

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

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.

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.

On March 14, 2020, Skyport issued a Supervening Event Notice claiming that a Force Majeure Event had arisen as a result of the COVID-19 pandemic which resulted in reduced airport traffic and revenues. Skyport reported a shortfall in the second quarter 2020 Senior Debt payment and as a result the Minimum Revenue Guarantee provisions of the Airport Project Agreement were triggered requiring a payment from BAA. On July 13, 2020, the BAA paid \$5.77 million to Skyport by way of a supplemental operating grant from the Fund. On October 22, 2020, the BAA paid a further \$15.23 million to Skyport by way of a supplemental operating grant from the Fund. See also Note 22(e)(i).

(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, 2021, the BSMA had a loan of \$1,090,000 (2020 - \$1,090,000) from the Fund. This balance is included in 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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

14. Related Party Transactions (cont'd)

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

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

2019 and 2020 years. The BSMA reported a net deficit for the year ended March 31, 2021.

(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 surplus of \$18,307,165 for the year ended March 31, 2021 (2020 - \$19,549,246). The amounts to be transferred to the Fund are included in Due from Government Funds and Agencies (Schedule 3) at March 31, 2021.

(xii) Bermuda Casino Gaming Commission

On April 4, 2017, the Government authorized the transfer of \$1.6 million from the Fund to the Bermuda Casino Gaming Commission (the “BCGC”) in the form of an interest-free loan. In July 2018, the Government transferred a further \$500,000 to the BCGC. As at March 31, 2021, \$2.1 million is outstanding from the loan.

On January 5, 2019, the Government signed a guarantee on behalf of the BCGC supporting an overdraft facility with BNTB of \$1.2 million, which was increased to \$2.7 million by March 31, 2020. On May 14, 2020, the Minister of Finance consented to a \$700,000 increase in the BCGC’s existing overdraft facility with BNTB to \$3.4 million, with expiry on February 28, 2021. On Mar 24, 2021, the Minister of Finance consented to a \$3,875,000 increase in the BCGC’s existing overdraft facility with BNTB to \$8,175,000 million, with expiry on May 31, 2022. The Ministry of Finance guaranteed to make good any default on the part of BCGC until all indebtedness to BNTB has been fully discharged.

At March 31, 2021, \$3,795,257 (2020 - \$2,251,545) had been drawn on the facility.

(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.

14. Related Party Transactions (cont'd)

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

(xiii) Bermuda Tourism Authority (cont'd)

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 loan balance was \$7,000,000 on March 31, 2021 (2020 – \$8,000,000).

(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 \$23.5 million (2020 - \$23 million) has been made for balances owed to the Fund by various Government Funds and Agencies (see also Schedule 3).

15. Debt

(a) Bank Overdraft

In May 2019, the Government entered into a \$35 million overdraft facility agreement at Clarien. The overdraft facility was to expire May 14, 2020. In March of 2020, the overdraft facility with Clarien was amended and increased to \$55 million, with an expiry date of March 22, 2021.

In September 2020, the Government renewed the two BNTB overdraft facilities of \$2 million and \$500,000, with a new expiry date of June 30, 2021. The daily charge applied to overdrawn balances was 1% above BNTB's base rate.

(b) Debt Issuance and Repayments

In August 2020, the Government raised \$1.35 billion with the issuance of a \$675 million 2.375% Note due 2030 and a \$675 million 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 to be used to fund anticipated deficits for the 2020/21 fiscal year and the next two years.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

15. Debt (cont'd)

(b) Debt Issuance and Repayments (cont'd)

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

(c) Discount on Bond

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 \$1,077,743 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 \$59,532 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 \$13,019 to date using the effective interest method.

(d) 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.

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, \$1,286,551 (2020 - \$2,747,180) of these funds remained, and were due to Hurricane Humberto, and other insurance claims, \$941,047 (2020 - \$2,421,680) and \$345,504 (2020 - \$325,500), respectively.

(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 time to 2028.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2021

16. Deferred Revenue (cont'd)

(b) Tugboats / NCL Primary Berthing Rights (cont'd)

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, 2021, \$2,122,727 has been recognised as revenue in the Statement of Operations and Accumulated Deficit and the deferred revenue remaining totalled \$12,877,273 (2020-\$15,000,000). As of that date \$399,041 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.

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.

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

(b) Joint Provisional Liquidator

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

(c) 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) have been added to the valuation allowance as presented in the March 31, 2020 Statement of Operations and Accumulated Deficit and as presented on Schedules 10 (a) and 10(b).

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.

(d) 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.

On June 19, 2020, the Government submitted a claim to GBL’s provisional liquidators in the amount of \$217.5 million. The Government paid \$15,746,218 for contractors’ balances, joint provisional liquidator, and consulting, advisory and legal services for the year ended March 31, 2021. 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(d).

18. Loan Agreements and Westend Properties Employees

As a result of the COVID-19 pandemic the Fairmont Southampton hotel in Bermuda, owned and operated by Westend Properties Limited (“Westend”), suffered financial difficulties and consequently ceased trading. Most employees were terminated by reason of redundancy pursuant to section 30 of the Employment Act 2000. Westend was unable to make the redundancy payments and in November 2020, the Government entered into loan agreements with most of the former employees of Westend to advance them loan amounts equal to the total severance payments due from Westend. Through December 4, 2020, Government had advanced \$10.4 million to the former employees of the Westend. Westend Properties repaid the Government in full in February 2021.

19. Litigation Recovery

In August 2020, the Fund received \$369,195 (45%) of an \$820,000 judgement awarded from a 2018 case. See also Note 22(b).

20. 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, 2021 is \$2,595,238 (2020 - \$2,714,286).

21. COVID-19 Global Pandemic

As a result of the COVID-19 outbreak that was declared a global pandemic on March 11, 2020 the Government has been operating under a state of emergency through the release of these Public Accounts. Throughout the year, varying degrees of restrictions were in place to control, prevent or suppress COVID-19. The Government COVID-19 response included closing businesses and organisations, imposing curfews, travel restrictions, entry screenings, and monitoring of air passengers. These measures and other responses to COVID-19 put in place by the Government significantly affected the local economy, individuals, businesses and organisations. The evolving nature and the anomalies of the

21. COVID-19 Global Pandemic (cont'd)

pandemic required adaptability and quick action to support the economic recovery and balance the delivery of necessary supports, emergency services and address the other challenges. COVID-19 related expenditure support totalled approximately \$115.4 million during the year (2020 - \$3.0 million). This expenditure is included in the \$128.5 million in supplemental operating grants approved to be provided to Government departments and entities during the year. The effects of this pandemic will continue into the foreseeable future. The future financial impacts of the pandemic is not determinable at this time.

(a) Travel Authorization

As a further response to COVID-19, in July 2020, legislation was enacted to require travellers to pay travel authorization fees to enter Bermuda after travelling internationally. Approximately \$3.2 million was received by the Government from travel authorization fees.

22. Subsequent Events

(a) Bank Overdraft

In June 2021, the Government renewed its two overdraft facility agreements at BNTB, of \$2 million and \$500,000, with expiry on June 30, 2022. The daily charge applied to overdrawn balances remains unchanged at 1% per annum above BNTB's base rate.

(b) Litigation Recovery

In May 2021, the Fund received a second payment \$333,648 on an \$820,000 judgement awarded from a 2018 case. The anticipated receipt of the \$333,648 plus the balance of the judgement is reflected in Accounts Receivable in the Statement of Financial Position as at March 31, 2021.

In June 2021, the Fund received \$214,149 and the balance of the judgement \$298, 221 was received July 2021.

(c) Guarantees

Subsequent to year end, the Government entered into the following guarantee arrangements:

(i) Bermudiana Development Company Limited (the "BDCL")

On June 16, 2021, the Government provided a letter of comfort to on behalf of the BDCL supporting a \$10 million term loan facility. The loan is to support the transition of the Grand Atlantic to the Bermudiana Beach Resort Development.

22. Subsequent Events (cont'd)

(c) Guarantees (cont'd)

(i) Bermudiana Development Company Limited (the “BDCL”) (cont'd)

The Ministry of Finance guaranteed to make good any default on the part of the BDCL in the payment of the loan to 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.

(ii) 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.

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.

(iii) InnoFund

On June 18, 2021, the Government provided a letter of comfort to Clarien Bank on behalf of InnoFund supporting a \$2.5 million term loan facility. The loan is to support NSC's Solar Initiative to provide a solar energy source for the facilities.

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

(iv) BHC Guarantee

On July 23, 2021 the Minister of Finance granted his consent for the BHC to enter into a facility agreement with Clarien Bank 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 31 July 2036.

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

(d) Caroline Bay/ Morgan's Point Guarantee

Subsequent to the year end, an additional \$1.3 million was paid in consulting, advisory and legal services in connection with the Morgan's Point / Caroline Bay project.

22. Subsequent Events (cont'd)

(e) COVID-19 Global Pandemic

Subsequent to year end, COVID-19 related expenditure support totalled approximately \$28.9 million through to December 2021. Approximately \$5.4 million was received by the Government through travel authorization fees from April 2021 to December 2021.

Significant responses to COVID-19 subsequent to year end include the following:

a. BAA / Skyport Minimum Revenue Guarantees

Subsequent to year end, Skyport reported a shortfall in the second quarter 2021 Senior Debt payment and as a result the Minimum Revenue Guarantee provisions of the Airport Project Agreement were triggered requiring a payment from BAA (note 14(b)(ix)). On July 27, 2021, the BAA paid \$7.84 million to Skyport by way of a supplemental operating grant from the Fund. In November 2021, the Fund transferred to BAA an additional \$8.45 million for payment to Skyport due to the negative impact on passenger traffic during the quarter ended September 30 due COVID-19.

b. Unemployment Insurance Fund

Through December 2021, \$9.17 million has been paid out in unemployment benefits and supplemental unemployment benefits.

(f) Tourism Investment Order

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 estimated relief resulting from this order has not been determined.

23. Comparative Figures

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

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

| | 2021 | 2020 |
|---------------------------------------|--------------------|-------------|
| | Actual | Actual |
| | \$ | \$ |
| Office of the Tax Commissioner | 300,902,777 | 300,134,782 |
| Works & Engineering | 17,316,087 | 14,916,440 |
| Registrar of Companies | 12,216,252 | 11,577,375 |
| Judicial Department | 5,141,662 | 4,920,940 |
| Customs | 4,989,530 | 4,868,522 |
| Public Lands & Buildings | 3,158,543 | 2,826,192 |
| Airport Operations | 2,922,665 | 2,923,515 |
| Accountant General | 2,809,553 | 2,965,657 |
| Post Office | 2,782,962 | 2,889,182 |
| Department of Health | 1,814,095 | 1,853,636 |
| Department of Education | 1,346,295 | 1,460,377 |
| Environment & Natural Resources | 1,327,389 | 1,327,926 |
| Ministry of Tourism & Transport HQ | 1,624,574 | 1,112,204 |
| Ministry of Public Works HQ | 717,976 | 882,675 |
| Ministry of Health HQ | 689,957 | 226,077 |
| Financial Assistance | 552,926 | 497,176 |
| Other Departments | 443,169 | 401,765 |
| Marine & Ports | 440,311 | 511,102 |
| Energy | 238,576 | 195,880 |
| Public Transportation | 222,300 | 413,218 |
| Police | 166,570 | 180,010 |
| Immigration | 138,125 | 163,725 |
| Defence | 129,066 | 129,066 |
| Office of the Auditor General | 129,000 | 129,000 |
| Department of Human Resources | 70,518 | 87,553 |
| Registry General | 8,264 | 12,614 |
| | 362,299,142 | 357,606,609 |
| Less: Provision for Doubtful Accounts | 166,771,480 | 158,382,071 |
| | 195,527,662 | 199,224,538 |

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

| | 2021 | 2020 |
|----------------------------------|-------------------|------------|
| | Actual | Actual |
| | \$ | \$ |
| Works & Engineering | 4,415,920 | 4,116,545 |
| Ministry of Health HQ | 3,663,250 | - |
| Marine & Ports | 2,913,964 | 2,665,988 |
| Public Transportation | 2,734,996 | 4,318,403 |
| Ministry of Public Works HQ | 1,408,701 | 1,543,716 |
| Police | 985,976 | 1,150,685 |
| Department of Education | 548,776 | 561,939 |
| Department of Corrections | 439,874 | 359,346 |
| Post Office | 95,849 | 95,849 |
| Environment & Natural Resources | 79,931 | 32,749 |
| Defence | 75,298 | 54,459 |
| Immigration | 29,706 | 31,940 |
| | 17,392,241 | 14,931,619 |
| Less: Provision for Obsolescence | 2,388,891 | 2,388,891 |
| | 15,003,350 | 12,542,728 |

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

| | 2021 | 2020 |
|--|---------------------|--------------|
| | Actual | Actual |
| | \$ | \$ |
| Government Employees Health Insurance Fund | 34,294,533 | 41,490,554 |
| Bermuda Civil Aviation Authority | 20,822,839 | 7,316,196 |
| Contributory Pension Fund | 12,083,695 | 4,979,078 |
| Public Service Superannuation Fund (Note 9(b)) | 7,675,550 | 2,081,442 |
| Regulatory Authority | 6,853,023 | 10,762,628 |
| West End Development Corporation | 5,613,335 | 5,167,786 |
| Bermuda Hospitals Board | 4,326,646 | 4,666,064 |
| Bermuda Casino Gaming Commission | 2,116,537 | 2,110,258 |
| Bermuda Monetary Authority | 2,058,030 | 2,007,993 |
| Bermuda Land Development Company | 1,288,298 | 859,456 |
| Bermuda Shipping and Maritime Authority (Note 14(b)(x)) | 1,110,826 | 1,113,022 |
| Confiscated Assets Fund | 1,075,622 | 1,276,363 |
| Golf Courses | 780,132 | 687,162 |
| Bermuda Housing Corporation | 341,545 | 372,824 |
| CedarBridge Academy | 319,116 | 420,477 |
| National Sports Centre | 221,072 | 169,314 |
| Pembroke Parish Council | 111,927 | 107,997 |
| Whitney Institute | 71,848 | 44,423 |
| Corporation of Hamilton | 71,506 | - |
| Bermuda Business Development Agency | 56,175 | 36,267 |
| Financial Intelligence Agency | 39,568 | 44,567 |
| Bermuda Tourism Authority | 31,367 | 90,192 |
| Bermuda Airport Authority | 29,567 | 29,126 |
| Berkeley Institute | 24,365 | 32,996 |
| Government Reserves Fund | 19,761 | 19,881 |
| Parish Councils | 19,125 | - |
| Bermuda Health Council | 17,007 | 14,214 |
| Bermuda Economic Development Corporation | 15,198 | 19,363 |
| Pension Commission | 14,871 | 13,496 |
| St. George's Preparatory School | 10,946 | 6,439 |
| Bermuda Sport Anti-Doping Agency | 4,181 | 4,422 |
| Bermuda Deposit Insurance Corporation | 2,997 | 696 |
| Bermuda Housing Trust | 910 | 850 |
| Bermuda College | - | 583,844 |
| Unemployment Insurance Fund (Note 7) | - | 35,760 |
| Sandys Secondary Middle School | - | 3,850 |
| | 101,522,118 | 86,569,000 |
| Less: Provision for Doubtful Accounts | (23,547,557) | (22,953,038) |
| | 77,974,561 | 63,615,962 |

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

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | Actual | Actual |
| | \$ | \$ |
| Ministers and Members of the Legislature | | |
| Pensions Fund (Note 9(b)) | 9,595,311 | 11,057,460 |
| Bermuda Tourism Authority | 1,875,000 | - |
| Bermuda Economic Development Corporation | 644,736 | 3,800 |
| Bermuda Housing Corporation | 640,146 | 720,114 |
| West End Development Corporation | 469,236 | 469,236 |
| Bermuda College | 372,969 | 1,672 |
| Corporation of St. George's | 64,232 | 4,529 |
| Bermuda College | 6,917 | - |
| Bermuda Land Development Company | 5,142 | 5,142 |
| Unemployment Insurance Fund (Note 7) | 360 | - |
| Bermuda Hospitals Board | - | 121,988 |
| Corporation of Hamilton | - | 70,286 |
| Parish Councils | - | 126 |
| | 13,674,049 | 12,454,353 |

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

| | 2021 | 2020 |
|---|----------------|----------------|
| | Actual | Actual |
| | \$ | \$ |
| Student Loans and Teacher Training Awards | 525,572 | 494,778 |
| Customs Duty | 9,933 | 56,464 |
| | 535,505 | 551,242 |

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

| | 2021 | 2020 |
|---|--------------------|--------------------|
| | Actual | Actual |
| | \$ | \$ |
| Deposits Held | 36,393,044 | 36,737,656 |
| Trade Accounts Payable | 29,078,371 | 48,251,308 |
| Employees' Leave Entitlements | 25,972,626 | 22,575,209 |
| Base Lands Clean Up (Note 10(c)) | 23,743,465 | 23,743,465 |
| Interest on Debt | 21,612,794 | 20,350,859 |
| Teachers' Salaries & Leave Entitlements | 7,975,140 | 8,933,505 |
| Leases Payable | 2,308,839 | 2,419,164 |
| Salaries, Wages and Benefits | 407,631 | 1,944,726 |
| | 147,491,910 | 164,955,892 |

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

| | 2021 | 2,020.00 |
|--|-------------------|------------|
| | Actual | Actual |
| | \$ | \$ |
| Ministry of Tourism & Transport HQ (Note 16) | 12,877,273 | 15,000,000 |
| Ministry of Public Works HQ | 1,445,561 | - |
| Post Office | 260,800 | 260,800 |
| Department of Health | 184,366 | 73,464 |
| Public Lands & Buildings | 91,116 | 91,116 |
| Office of the Tax Commissioner | 45,600 | 5,000 |
| Youth, Sport & Recreation | 37,801 | 37,801 |
| Office of the Auditor General | 35,000 | - |
| Environment & Natural Resources | 17,000 | - |
| Department of Education | 938 | - |
| Accountant General | 836 | 836 |
| | 14,996,291 | 15,469,017 |

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

| | 2021 | 2020 |
|--|----------------------|----------------------|
| | Actual | Actual |
| | \$ | \$ |
| BNTB / HSBC Loan Due Sept 2020 - US\$ | | |
| Issue Date: September 17, 2019 | | |
| Interest: 5.603% payable monthly | | |
| Last business day of the month | | |
| Loan Due: September 17, 2020 | - | 187,360,979 |
| Senior Notes Due 2022 - US\$ | | |
| Issue Date: December 4, 2007 | | |
| Interest: 5.73% payable semi-annually | | |
| June 4 and December 4 | | |
| Notes Due: December 4, 2022 | 140,000,000 | 140,000,000 |
| Senior Notes Due 2023 - US\$ | | |
| Issue Date: July 3, 2012 | | |
| Interest: 4.138% payable semi-annually | | |
| January 3 and July 3 | | |
| Notes Due: January 3, 2023 | 353,905,000 | 475,000,000 |
| Senior Notes Due 2023 - BMD\$ | | |
| Issue Date: December 16, 2013 | | |
| Interest: 4.75% payable semi-annually | | |
| June 16 and December 16 | | |
| Notes Due: December 16, 2023 | 50,000,000 | 50,000,000 |
| Senior Notes Due 2024 - US\$ | | |
| Issue Date: August 6, 2013 | | |
| Interest: 4.854% payable semi-annually | | |
| February 6 and August 6 | | |
| Notes Due: February 6, 2024 | 402,203,000 | 550,000,000 |
| 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 | 665,000,000 |
| 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 | 620,000,000 |
| 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 | - |
| 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 | - |
| | 3,350,000,000 | 2,687,360,979 |
| Less: Sinking Fund (Note 5) | 348,471,195 | 41,330,865 |
| | 3,001,528,805 | 2,646,030,114 |

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

| | 2021 Original Estimates | 2021 Actual | 2020 Actual |
|---------------------------------------|-------------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Taxes & Duties | | | |
| Payroll Tax | 467,000,000 | 438,798,268 | 465,018,186 |
| Customs Duty | 235,000,000 | 202,218,140 | 221,897,400 |
| Land Tax | 85,500,000 | 83,968,457 | 84,498,029 |
| Passenger Tax | 25,200,000 | (17,715) | 31,907,237 |
| | 812,700,000 | 724,967,150 | 803,320,852 |
| Other Taxes & Duties | | | |
| Foreign Currency Purchase Tax | 26,250,000 | 23,894,016 | 25,695,795 |
| Stamp Duty | 24,567,000 | 23,700,847 | 19,580,069 |
| Financial Services Tax | 12,000,000 | 13,349,203 | 12,369,086 |
| Corporate Services Tax | 5,300,000 | 5,323,635 | 5,438,986 |
| Non-Bermudian Land Acquisition Tax | 5,500,000 | 5,833,760 | 3,149,274 |
| Hotel Occupancy Tax | 10,000,000 | (528,317) | 8,960,640 |
| Timesharing Tax | - | 15,035 | 80,023 |
| Betting Tax | 150,000 | 427,623 | 79,971 |
| Transport Infrastructure Tax | 11,100,000 | - | - |
| | 94,867,000 | 72,015,802 | 75,353,844 |
| Total Taxes & Duties | 907,567,000 | 796,982,952 | 878,674,696 |
| Fees, Permits & Licences | | | |
| International Companies | 66,490,000 | 62,084,644 | 65,155,478 |
| Vehicle Licences & Registration | 31,060,000 | 32,335,108 | 29,783,812 |
| Civil Aviation (Note 14(b)(xi)) | 17,300,000 | 18,499,496 | 21,146,954 |
| Telecommunications | 17,876,000 | 17,010,308 | 17,526,816 |
| Immigration | 18,367,000 | 13,694,887 | 16,294,174 |
| Water | 5,198,000 | 4,662,198 | 3,002,372 |
| Solid Waste Services | 5,568,000 | 4,134,471 | 5,003,588 |
| Postal Services | 4,131,000 | 3,376,090 | 3,439,197 |
| Local Companies | 2,750,000 | 2,806,433 | 2,279,269 |
| Rentals | 2,042,000 | 2,132,610 | 1,918,400 |
| Trade and Service Marks | 1,504,000 | 1,506,054 | 1,617,526 |
| Other Customs Fees & Charges | 2,500,000 | 1,476,286 | 2,085,138 |
| Bus Transportation | 7,350,000 | 1,173,367 | 5,478,682 |
| Planning Fees and Searches | 1,170,000 | 1,155,076 | 1,157,965 |
| Services to Seaborne Shipping | 3,456,000 | 868,895 | 3,150,191 |
| Wharfage | 900,000 | 788,482 | 853,091 |
| Companies Licences | 1,000,000 | 695,504 | 764,507 |
| Plant Production and Marketing Centre | 204,000 | 206,014 | 207,678 |
| Ferry Services | 1,242,000 | 130,802 | 1,054,517 |
| Liquor Licences | 534,000 | 82,375 | 673,256 |
| | 190,642,000 | 168,819,100 | 182,592,611 |
| Other Revenue | | | |
| Other | 18,580,000 | 28,164,757 | 19,452,077 |
| Fines & Forfeitures | 3,315,000 | 1,902,459 | 3,152,574 |
| | 21,895,000 | 30,067,216 | 22,604,651 |
| Investment Income | 2,067,000 | 2,410,794 | 2,479,233 |
| | 23,962,000 | 32,478,010 | 25,083,884 |
| TOTAL REVENUE | 1,122,171,000 | 998,280,062 | 1,086,351,191 |

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

| | 2021 Original Estimates | 2021 Actual | 2020 Actual |
|---|-------------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Non-Ministry Departments | | | |
| 05 Office of the Auditor General | 1,138,000 | 802,915 | 665,252 |
| 63 Parliamentary Registrar | 250,000 | 213,830 | 283,393 |
| 101 Privacy Commissioner's Office | - | 2,454 | - |
| 02 Legislature | - | 1,125 | 1,104 |
| | 1,388,000 | 1,020,324 | 949,749 |
| Cabinet Office Departments | | | |
| 13 Post Office | 4,040,000 | 3,341,849 | 3,428,364 |
| 09 Cabinet Office | 150,000 | 260,350 | 217,552 |
| | 4,190,000 | 3,602,199 | 3,645,916 |
| Ministry of Tourism & Transport | | | |
| 34 Transport Control Department | 31,064,000 | 32,340,637 | 29,793,132 |
| 48 Ministry of Tourism & Transport HQ | 17,953,000 | 21,072,931 | 22,183,582 |
| 35 Public Transportation | 7,400,000 | 2,286,271 | 5,510,086 |
| 30 Marine & Ports | 6,107,000 | 2,716,881 | 5,586,313 |
| | 62,524,000 | 58,416,720 | 63,073,113 |
| Ministry of Legal Affairs | | | |
| 03 Judicial Department | 6,013,000 | 4,045,610 | 5,471,407 |
| 88 National Drug Control | - | 198,691 | - |
| 23 Child and Family Services | 192,000 | 112,371 | 154,330 |
| 87 Ministry of Legal Affairs & Constitutional Reform HQ | - | 12,522 | 50,737 |
| 04 Attorney General's Chambers | - | - | 9,052 |
| | 6,205,000 | 4,369,194 | 5,685,526 |
| Ministry of Finance | | | |
| 38 Office of the Tax Commissioner | 665,067,000 | 586,998,341 | 652,213,557 |
| 12 Customs | 239,765,000 | 206,000,810 | 226,233,264 |
| 39 Registrar of Companies | 70,596,000 | 66,202,562 | 70,073,231 |
| 11 Accountant General | 2,067,000 | 4,727,948 | 2,850,071 |
| | 977,495,000 | 863,929,661 | 951,370,123 |
| Ministry of Education | | | |
| 17 Department of Education | 230,000 | 31,831 | 173,390 |
| 18 Libraries & Archives | 16,000 | 5,300 | 13,947 |
| | 246,000 | 37,131 | 187,337 |
| Ministry of Health | | | |
| 22 Department of Health | 3,688,000 | 3,759,495 | 3,646,013 |
| 21 Ministry of Health HQ | 137,000 | 3,356,938 | 73,575 |
| | 3,825,000 | 7,116,433 | 3,719,588 |

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

| | 2021 Original Estimates | 2021 Actual | 2020 Actual |
|---|-------------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Ministry of Labour, Community Affairs & Sports | | | |
| 20 Youth, Sport & Recreation | 670,000 | 324,418 | 587,532 |
| 60 Workforce Development | 29,000 | 253,730 | 4,870 |
| 52 Community & Cultural Affairs | 2,000 | 710 | 625 |
| | 701,000 | 578,858 | 593,027 |
| Ministry of National Security | | | |
| 27 Immigration | 23,947,000 | 19,606,460 | 19,449,449 |
| 07 Police | 697,000 | 755,334 | 742,994 |
| 45 Fire Services | 400,000 | 173,954 | 346,045 |
| | 25,044,000 | 20,535,748 | 20,538,488 |
| Ministry of Home Affairs | | | |
| 89 Energy | 18,076,000 | 17,332,712 | 17,837,221 |
| 29 Registry General | 1,757,000 | 1,592,893 | 1,882,792 |
| 32 Department of Planning | 1,471,000 | 1,392,518 | 1,495,999 |
| 79 Environment & Natural Resources | 1,509,000 | 1,245,960 | 1,548,699 |
| 93 Ministry of Home Affairs HQ | 6,000 | 16,200 | 13,990 |
| | 22,819,000 | 21,580,283 | 22,778,701 |
| Ministry of Public Works | | | |
| 82 Works & Engineering | 15,182,000 | 13,688,050 | 11,586,748 |
| 81 Public Lands & Buildings | 1,704,000 | 2,074,441 | 1,596,743 |
| 36 Ministry of Public Works HQ | 13,000 | 901,811 | 40,135 |
| 97 Land Title & Registration | 701,000 | 384,452 | 470,498 |
| 68 Parks | 128,000 | 44,757 | 115,499 |
| 49 Land Valuation | 6,000 | - | - |
| | 17,734,000 | 17,093,511 | 13,809,623 |
| TOTAL REVENUE | 1,122,171,000 | 998,280,062 | 1,086,351,191 |

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

| | 2021 Interdepartmental Revenue | 2021 Gross Revenue Actual | 2021 Net Revenue |
|---|--------------------------------------|---------------------------------|------------------------|
| | \$ | \$ | \$ |
| Non-Ministry Departments | | | |
| 05 Office of the Auditor General | - | 802,915 | 802,915 |
| 63 Parliamentary Registrar | 448 | 213,830 | 213,382 |
| 101 Privacy Commissioner's Office | - | 2,454 | 2,454 |
| 02 Legislature | - | 1,125 | 1,125 |
| | 448 | 1,020,324 | 1,019,876 |
| Cabinet Office Departments | | | |
| 13 Post Office | 85 | 3,341,849 | 3,341,764 |
| 09 Cabinet Office | - | 260,350 | 260,350 |
| | 85 | 3,602,199 | 3,602,114 |
| Ministry of Tourism & Transport | | | |
| 34 Transport Control Department | - | 32,340,637 | 32,340,637 |
| 48 Ministry of Tourism & Transport HQ | - | 21,072,931 | 21,072,931 |
| 30 Marine & Ports | 405 | 2,716,881 | 2,716,476 |
| 35 Public Transportation | - | 2,286,271 | 2,286,271 |
| | 405 | 58,416,720 | 58,416,315 |
| Ministry of Legal Affairs | | | |
| 03 Judicial Department | 11,110 | 4,045,610 | 4,034,500 |
| 88 National Drug Control | - | 198,691 | 198,691 |
| 23 Child and Family Services | 1,700 | 112,371 | 110,671 |
| 87 Ministry of Legal Affairs & Constitutional Reform HQ | - | 12,522 | 12,522 |
| 04 Attorney General's Chambers | 37,500 | - | (37,500) |
| | 50,310 | 4,369,194 | 4,318,884 |
| Ministry of Finance | | | |
| 38 Office of the Tax Commissioner | - | 586,998,341 | 586,998,341 |
| 12 Customs | 1,017,604 | 206,000,810 | 204,983,206 |
| 39 Registrar of Companies | - | 66,202,562 | 66,202,562 |
| 11 Accountant General | 51,226 | 4,727,948 | 4,676,722 |
| | 1,068,830 | 863,929,661 | 862,860,831 |
| Ministry of Education | | | |
| 17 Department of Education | - | 31,831 | 31,831 |
| 18 Libraries & Archives | 489 | 5,300 | 4,811 |
| | 489 | 37,131 | 36,642 |
| Ministry of Health | | | |
| 22 Department of Health | 164,878 | 3,759,495 | 3,594,617 |
| 21 Ministry of Health HQ | - | 3,356,938 | 3,356,938 |
| | 164,878 | 7,116,433 | 6,951,555 |

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

| | 2021 Interdepartmental Revenue | 2021 Gross Revenue Actual | 2021 Net Revenue |
|---|--------------------------------------|---------------------------------|------------------------|
| | \$ | \$ | \$ |
| Ministry of Labour, Community Affairs & Sports | | | |
| 20 Youth, Sport & Recreation | 8,130 | 324,418 | 316,288 |
| 60 Workforce Development | 2,316 | 253,730 | 251,414 |
| 52 Community & Cultural Affairs | - | 710 | 710 |
| | 10,446 | 578,858 | 568,412 |
| Ministry of National Security | | | |
| 27 Immigration | 919 | 19,606,460 | 19,605,541 |
| 07 Police | 200 | 755,334 | 755,134 |
| 45 Fire Services | 8,525 | 173,954 | 165,429 |
| | 9,644 | 20,535,748 | 20,526,104 |
| Ministry of Home Affairs | | | |
| 89 Energy | - | 17,332,712 | 17,332,712 |
| 29 Registry General | 10,388 | 1,592,893 | 1,582,505 |
| 32 Department of Planning | 29,760 | 1,392,518 | 1,362,758 |
| 79 Environment & Natural Resources | 5,440 | 1,245,960 | 1,240,520 |
| 93 Ministry of Home Affairs HQ | 600 | 16,200 | 15,600 |
| | 46,188 | 21,580,283 | 21,534,095 |
| Ministry of Public Works | | | |
| 82 Works & Engineering | 349,020 | 13,688,050 | 13,339,030 |
| 81 Public Lands & Buildings | 64,598 | 2,074,441 | 2,009,843 |
| 97 Land Title & Registration | - | 384,452 | 384,452 |
| 68 Parks | - | 44,757 | 44,757 |
| 36 Ministry of Public Works HQ | - | 901,811 | 901,811 |
| | 413,618 | 17,093,511 | 16,679,893 |
| TOTAL REVENUE | 1,765,341 | 998,280,062 | 996,514,721 |

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

| | 2021 Capital Development | 2021 Capital Acquisition | 2021 Current Expenses | 2021 Total Actual | 2020 Total Actual |
|---|--------------------------------|--------------------------------|-----------------------------|-------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Economic Development | | | | | |
| 11 Accountant General | - | 46,080 | 62,198,733 | 62,244,813 | 105,249,883 |
| 48 Ministry of Tourism & Transport HQ | (5,153) | - | 59,950,512 | 59,945,359 | 46,697,006 |
| 82 Works & Engineering | 4,491,519 | - | 53,349,664 | 57,841,183 | 69,733,666 |
| 81 Public Lands & Buildings | 2,867,895 | - | 37,358,314 | 40,226,209 | 43,736,708 |
| 35 Public Transportation | 248,443 | 60,412 | 21,380,578 | 21,689,433 | 24,304,175 |
| 36 Ministry of Public Works HQ | 8,787,526 | (870,985) | 11,508,790 | 19,425,331 | 9,568,371 |
| 58.2 Caroline Bay/Morgan's Point (Note 17) | - | - | 15,746,218 | 15,746,218 | 14,814,279 |
| 30 Marine & Ports | - | 183,116 | 16,575,441 | 16,758,557 | 20,908,144 |
| 43 Department of Information and Digital Technologies | - | 1,680,725 | 8,571,265 | 10,251,990 | 9,303,458 |
| 13 Post Office | - | 1,274 | 10,927,577 | 10,928,851 | 10,000,415 |
| 10 Ministry of Finance HQ | 643,114 | 109,072 | 6,592,681 | 7,344,867 | 176,958,348 |
| 34 Transport Control Department | - | - | 4,374,402 | 4,374,402 | 4,792,847 |
| 39 Registrar of Companies | - | (331,457) | 4,044,600 | 3,713,143 | 4,044,625 |
| 32 Department of Planning | - | 40,000 | 2,716,541 | 2,756,541 | 3,023,710 |
| 93 Ministry of Home Affairs HQ | - | (11,991) | 1,662,015 | 1,650,024 | 1,997,799 |
| 29 Registry General | - | 22,191 | 1,509,185 | 1,531,376 | 1,630,214 |
| 97 Land Title & Registration | - | - | 1,242,794 | 1,242,794 | 1,231,236 |
| 94 Ministry of Economy, Trade & Industry HQ | - | 9,715 | 1,112,800 | 1,122,515 | - |
| 49 Land Valuation | - | - | 835,323 | 835,323 | 979,144 |
| 89 Energy | (159,473) | 140,293 | 871,489 | 852,309 | 870,284 |
| 80 Project Management & Procurement | - | - | 566,125 | 566,125 | 762,626 |
| 67 Department of Information & Communication | - | - | 138,411 | 138,411 | 1,201,524 |
| 38 Office of the Tax Commissioner | - | 58,554 | 78,287 | 136,841 | 5,489,593 |
| | 16,873,871 | 1,136,999 | 323,311,745 | 341,322,615 | 557,298,055 |
| Health | | | | | |
| 24 Hospitals | 1,520,000 | - | 147,251,163 | 148,771,163 | 158,133,293 |
| 22 Department of Health | 9,388 | 426,887 | 27,233,994 | 27,670,269 | 27,788,190 |
| 21 Ministry of Health HQ | - | 225 | 23,024,629 | 23,024,854 | 12,925,248 |
| 28 Social Insurance | - | - | 4,908,423 | 4,908,423 | 4,493,981 |
| 91 Health Insurance | - | - | 3,360,229 | 3,360,229 | 3,575,367 |
| | 1,529,388 | 427,112 | 205,778,438 | 207,734,938 | 206,916,079 |
| National Security | | | | | |
| 07 Police | 34,441 | (19,177) | 64,591,124 | 64,606,388 | 65,432,378 |
| 25 Department of Corrections | 31,956 | - | 26,038,043 | 26,069,999 | 28,025,875 |
| 12 Customs | - | 1,590 | 16,904,165 | 16,905,755 | 18,872,138 |
| 45 Fire Services | 80,810 | 1,131,321 | 13,841,988 | 15,054,119 | 14,254,977 |
| 06 Defence | 935 | (12,936) | 13,225,834 | 13,213,833 | 7,978,567 |
| 03 Judicial Department | - | (85,977) | 7,207,053 | 7,121,076 | 8,298,466 |
| 87 Ministry of Legal Affairs & Constitutional Reform HQ | - | 121,667 | 5,415,355 | 5,537,022 | 5,700,544 |
| 04 Attorney General's Chambers | - | 6,955 | 5,082,482 | 5,089,437 | 5,759,236 |
| 74 Department of Court Services | - | - | 3,819,104 | 3,819,104 | 4,134,452 |
| 27 Immigration | - | (526,005) | 4,346,309 | 3,820,304 | 5,651,487 |
| 83 Ministry of National Security HQ | - | 34,121 | 3,375,185 | 3,409,306 | 2,761,119 |
| 75 Department of Public Prosecutions | - | (3,058) | 2,931,088 | 2,928,030 | 3,170,971 |
| | 148,142 | 648,501 | 166,777,730 | 167,574,373 | 170,040,210 |
| Education | | | | | |
| 17 Department of Education | 1,072,862 | 845,097 | 106,121,749 | 108,039,708 | 117,257,586 |
| 41 Bermuda College | - | - | 15,906,000 | 15,906,000 | 16,106,000 |
| 16 Ministry of Education HQ | - | - | 3,485,295 | 3,485,295 | 3,001,509 |
| | 1,072,862 | 845,097 | 125,513,044 | 127,431,003 | 136,365,095 |

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

| | 2021 Capital Development | 2021 Capital Acquisition | 2021 Current Expenses | 2021 Total Actual | 2020 Total Actual |
|---|--------------------------------|--------------------------------|-----------------------------|-------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Public Debt | | | | | |
| 58 Interest on Debt | - | - | 129,363,404 | 129,363,404 | 120,481,890 |
| Early Tender Premium on Repurchased Debt (Note 15(b)) | - | - | 59,252,481 | 59,252,481 | - |
| | - | - | 188,615,885 | 188,615,885 | 120,481,890 |
| Social Services & Assistance | | | | | |
| 60 Workforce Development | - | - | 62,140,591 | 62,140,591 | 3,979,913 |
| 55 Financial Assistance | - | - | 52,861,308 | 52,861,308 | 50,198,994 |
| 23 Child and Family Services | - | 11,733 | 14,687,266 | 14,698,999 | 16,568,275 |
| 53 Bermuda Housing Corporation | 6,612,500 | - | 5,437,500 | 12,050,000 | 11,500,000 |
| 88 National Drug Control Ministry of Youth, Culture & Sports | - | 5,984 | 4,298,490 | 4,304,474 | 4,999,165 |
| 71 HQ | - | - | 1,465,558 | 1,465,558 | 1,517,836 |
| 52 Community & Cultural Affairs | - | - | 872,994 | 872,994 | 1,758,211 |
| | 6,612,500 | 17,717 | 141,763,707 | 148,393,924 | 90,522,394 |
| Other General Government Services | | | | | |
| 09 Cabinet Office | 1,676,498 | - | 30,887,340 | 32,563,838 | 15,369,504 |
| 79 Environment & Natural Resources | 222,428 | 14,834 | 7,536,806 | 7,774,068 | 8,423,583 |
| 20 Youth, Sport & Recreation | 221,813 | (12,724) | 8,703,810 | 8,912,899 | 10,124,406 |
| 68 Parks | 74,796 | - | 7,988,083 | 8,062,879 | 9,294,910 |
| 02 Legislature | 84,840 | - | 4,741,129 | 4,825,969 | 5,486,147 |
| 05 Office of the Auditor General | - | - | 3,521,815 | 3,521,815 | 3,555,746 |
| 26 Department of Human Resources | - | - | 3,039,622 | 3,039,622 | 3,395,174 |
| 51 Department of Communications | - | 26,526 | 2,966,715 | 2,993,241 | 3,384,975 |
| 18 Libraries & Archives | - | - | 2,882,349 | 2,882,349 | 2,970,024 |
| 14 Department of Statistics | - | - | 2,124,940 | 2,124,940 | 2,156,436 |
| 01 Governor & Staff Department of Employee & Organizational Development | 438,839 | - | 1,222,823 | 1,661,662 | 1,667,766 |
| 61 Organizational Development | - | (7,688) | 1,560,694 | 1,553,006 | 1,574,702 |
| 63 Parliamentary Registrar | - | - | 1,360,542 | 1,360,542 | 827,973 |
| 92 Internal Audit | - | - | 1,117,625 | 1,117,625 | 1,286,745 |
| 56 Human Rights Commission | - | - | 1,037,534 | 1,037,534 | 1,188,419 |
| 85 Ombudsman's Office | - | - | 1,026,404 | 1,026,404 | 1,066,266 |
| 98 Information Commissioner's Office | - | 20,374 | 808,032 | 828,406 | 958,564 |
| 101 Privacy Commissioner's Office | - | 8,600 | 324,837 | 333,437 | 88,626 |
| | 2,719,214 | 49,922 | 82,851,100 | 85,620,236 | 72,819,966 |
| Pensions and Other Employee Future Benefits | | | | | |
| Pensions and Retirement Benefits | | | | | |
| 11a Expense | - | - | 132,954,684 | 132,954,684 | 78,070,547 |
| | - | - | 132,954,684 | 132,954,684 | 78,070,547 |
| TOTAL EXPENSES | 28,955,977 | 3,125,348 | 1,367,566,333 | 1,399,647,658 | 1,432,514,236 |

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

| | 2021 Original Estimates' | 2021 Actual | 2020 Actual |
|--|--------------------------------|----------------------|----------------|
| | \$ | \$ | \$ |
| Employees | | | |
| Salaries | 313,556,000 | 298,992,936 | 312,531,914 |
| Pensions and Retirement Benefits Expense | - | 131,386,473 | 76,687,437 |
| Wages | 69,407,000 | 76,858,533 | 78,903,918 |
| Employer Overhead | 79,012,000 | 54,947,510 | 81,370,588 |
| Other Personnel Costs | 5,458,000 | 4,383,849 | 5,283,991 |
| Compensated Absences | - | 1,568,211 | 1,383,110 |
| Training | 3,752,000 | 1,291,153 | 2,315,853 |
| | 471,185,000 | 569,428,665 | 558,476,811 |
| Operations | | | |
| Grants & Contributions | 312,904,000 | 407,615,003 | 323,966,010 |
| Interest on Debt | 121,495,000 | 129,363,404 | 120,488,883 |
| Early Tender Premium on Repurchased Debt (Note 15(b)) | - | 59,252,481 | - |
| Professional Services | 49,369,000 | 51,135,689 | 41,731,181 |
| Amortization (Note 4(b)(v)) | - | 48,211,479 | 52,239,447 |
| Materials & Supplies | 23,316,000 | 19,418,118 | 17,066,112 |
| Repairs & Maintenance | 19,757,000 | 16,922,089 | 16,184,111 |
| Morgan's Point / Caroline Bay Valuation Allowance (Note 17) | - | 15,746,218 | 183,286,237 |
| Rentals | 11,973,000 | 11,405,953 | 10,730,974 |
| Energy | 16,611,000 | 11,218,713 | 13,803,091 |
| Insurance | 9,063,000 | 6,869,377 | 7,402,669 |
| Communications | 7,218,000 | 6,109,227 | 6,421,537 |
| Equipment | 547,000 | 2,860,207 | 247,829 |
| Bad Debt Expense (Recoveries) (Note 14(c)) | - | 2,736,164 | 27,012,231 |
| Other | 3,387,000 | 2,651,506 | 3,226,626 |
| Bank Charges & Commissions | - | 1,984,218 | 1,610,574 |
| Transport | 3,571,000 | 1,918,976 | 2,371,925 |
| Advertising & Promotion | 1,991,000 | 1,249,824 | 1,252,564 |
| Clothing & Uniforms | 1,163,000 | 1,108,854 | 912,825 |
| Travel | 3,416,000 | 441,713 | 2,982,013 |
| (Gain) Loss on Disposal of Tangible Capital Assets | - | (81,545) | 144,051 |
| | 585,781,000 | 798,137,668 | 833,080,890 |
| TOTAL CURRENT EXPENSES | 1,056,966,000 | 1,367,566,333 | 1,391,557,701 |

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

| | 2021 Original Estimates | 2021 Actual | 2020 Actual |
|--|-------------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Non-Ministry Departments | | | |
| 02 Legislature | 5,766,000 | 4,741,129 | 5,350,618 |
| 05 Office of the Auditor General | 4,205,000 | 3,521,815 | 3,543,722 |
| 63 Parliamentary Registrar | 1,571,000 | 1,360,542 | 808,154 |
| 01 Governor & Staff | 1,395,000 | 1,222,823 | 1,332,878 |
| 92 Internal Audit | 1,434,000 | 1,117,625 | 1,328,898 |
| 56 Human Rights Commission | 1,269,000 | 1,037,534 | 1,188,419 |
| 85 Ombudsman's Office | 1,079,000 | 1,026,405 | 1,066,266 |
| 98 Information Commissioner's Office | 1,061,000 | 808,034 | 1,006,016 |
| 101 Privacy Commissioner's Office | 567,000 | 324,839 | 96,696 |
| | 18,347,000 | 15,160,746 | 15,721,667 |
| Cabinet Office Departments | | | |
| 09 Cabinet Office | 17,331,000 | 30,887,340 | 15,448,655 |
| 13 Post Office | 10,502,000 | 10,927,577 | 9,931,564 |
| 43 Department of Information and Digital Technologies | 7,013,000 | 8,571,265 | 7,649,782 |
| 26 Department of Human Resources | 3,813,000 | 3,039,622 | 3,388,324 |
| 51 Department of Communications | 2,764,000 | 2,966,715 | 3,350,462 |
| 14 Department of Statistics | 2,493,000 | 2,124,940 | 2,150,961 |
| 61 Department of Employee & Organizational Development | 1,672,000 | 1,560,694 | 1,574,702 |
| 94 Department of Economic Development | 1,727,000 | 1,112,800 | - |
| 80 Project Management & Procurement | 930,000 | 566,125 | 762,244 |
| 67 Department of Information & Communication Technology | - | 138,411 | 951,094 |
| | 48,245,000 | 61,895,489 | 45,207,788 |
| Ministry of Transport | | | |
| 48 Ministry of Tourism & Transport HQ | 38,828,000 | 59,950,512 | 44,465,255 |
| 35 Public Transportation | 22,368,000 | 21,380,578 | 24,163,534 |
| 30 Marine & Ports | 21,662,000 | 16,575,441 | 20,830,804 |
| 34 Transport Control Department | 5,451,000 | 4,374,402 | 4,729,775 |
| | 88,309,000 | 102,280,933 | 94,189,368 |
| Ministry of Legal Affairs & Constitutional Reform | | | |
| 03 Judicial Department | 8,943,000 | 7,207,053 | 8,298,446 |
| 87 Ministry of Legal Affairs & Constitutional Reform HQ | 6,735,000 | 5,415,355 | 5,720,608 |
| 04 Attorney General's Chambers | 5,428,000 | 5,082,482 | 5,759,236 |
| 88 National Drug Control | 4,418,000 | 4,298,490 | 4,994,688 |
| 74 Department of Court Services | 4,727,000 | 3,819,104 | 4,134,452 |
| 75 Department of Public Prosecutions | 3,444,000 | 2,931,088 | 3,167,381 |
| | 33,695,000 | 28,753,572 | 32,074,811 |
| Ministry of Finance | | | |
| 11a Pensions and Retirement Benefits Expense | - | 132,954,684 | 78,070,547 |
| 58 Interest on Debt | 121,400,000 | 129,363,404 | 120,481,890 |
| 11 Accountant General | 85,850,000 | 62,198,733 | 105,076,947 |
| 58.1 Early Tender Premium on Repurchased Debt (Note 15(b)) | - | 59,252,481 | - |
| 58.2 Caroline Bay/Morgan's Point (Note 17) | - | 15,746,218 | 14,814,279 |
| 10 Ministry of Finance HQ | 6,044,000 | 6,592,681 | 176,291,495 |
| 28 Social Insurance | 4,975,000 | 4,908,423 | 4,493,981 |
| 39 Registrar of Companies | 4,387,000 | 4,044,600 | 4,042,431 |
| 38 Office of the Tax Commissioner | 3,836,000 | 78,287 | 5,227,960 |
| | 226,492,000 | 415,139,511 | 508,499,530 |
| Ministry of Education | | | |
| 17 Department of Education | 113,781,000 | 106,121,749 | 115,975,348 |
| 41 Bermuda College | 15,906,000 | 15,906,000 | 15,906,000 |
| 16 Ministry of Education HQ | 4,523,000 | 3,485,295 | 3,001,509 |
| 18 Libraries & Archives | 3,252,000 | 2,882,349 | 2,964,765 |
| | 137,462,000 | 128,395,393 | 137,847,622 |
| Ministry of Health | | | |
| 24 Hospitals | 147,251,000 | 147,251,163 | 153,513,293 |
| 22 Department of Health | 28,817,000 | 27,233,994 | 27,794,679 |
| 21 Ministry of Health HQ | 12,505,000 | 23,024,629 | 12,924,385 |
| 91 Health Insurance | 3,755,000 | 3,360,229 | 3,588,024 |
| | 192,328,000 | 200,870,015 | 197,820,381 |

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

| | 2021 Original Estimates | 2021 Actual | 2020 Actual |
|---|-------------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Ministry of Labour | | | |
| 60 Workforce Development | 4,295,000 | 62,140,591 | 3,979,913 |
| 55 Financial Assistance | 50,944,000 | 52,861,308 | 50,198,994 |
| 27 Immigration | 5,504,000 | 4,346,309 | 5,015,535 |
| | 60,743,000 | 119,348,208 | 59,194,442 |
| Ministry of Youth, Culture & Sports | | | |
| 20 Youth, Sport & Recreation | 10,109,000 | 8,703,810 | 9,631,766 |
| 71 Ministry of Youth, Culture & Sports HQ | 2,191,000 | 1,465,558 | 1,706,612 |
| 52 Community & Cultural Affairs | 2,083,000 | 872,994 | 1,754,107 |
| | 14,383,000 | 11,042,362 | 13,092,485 |
| Ministry of National Security | | | |
| 07 Police | 61,802,000 | 64,591,124 | 65,335,169 |
| 25 Department of Corrections | 25,582,000 | 26,038,043 | 28,160,700 |
| 12 Customs | 17,195,000 | 16,904,165 | 18,935,642 |
| 45 Fire Services | 14,377,000 | 13,841,988 | 14,253,809 |
| 06 Defence | 7,959,000 | 13,225,834 | 7,967,790 |
| 83 Ministry of National Security HQ | 2,372,000 | 3,375,185 | 2,381,594 |
| | 129,287,000 | 137,976,339 | 137,034,704 |
| Ministry of Home Affairs | | | |
| 79 Environment & Natural Resources | 8,352,000 | 7,536,806 | 8,194,233 |
| 32 Department of Planning | 3,348,000 | 2,716,541 | 3,010,716 |
| 93 Ministry of Home Affairs HQ | 3,575,000 | 1,662,015 | 1,983,558 |
| 29 Registry General | 1,820,000 | 1,509,185 | 1,611,315 |
| 89 Energy | 880,000 | 871,489 | 641,038 |
| | 17,975,000 | 14,296,036 | 15,440,860 |
| Ministry of Public Works | | | |
| 82 Works & Engineering | 29,299,000 | 53,349,664 | 57,386,704 |
| 81 Public Lands & Buildings | 19,919,000 | 37,358,314 | 36,699,154 |
| 36 Ministry of Public Works HQ | 6,205,000 | 11,508,790 | 7,398,161 |
| 68 Parks | 9,289,000 | 7,988,078 | 9,130,032 |
| 53 Bermuda Housing Corporation | 6,050,000 | 5,437,500 | 6,050,000 |
| 97 Land Title & Registration | 1,463,000 | 1,242,794 | 1,231,236 |
| 49 Land Valuation | 1,034,000 | 835,323 | 978,481 |
| | 73,259,000 | 117,720,463 | 118,873,768 |
| Ministry of Social Development & Seniors | | | |
| 23 Child and Family Services | 16,441,000 | 14,687,266 | 16,560,275 |
| | 16,441,000 | 14,687,266 | 16,560,275 |
| TOTAL CURRENT EXPENSES | 1,056,966,000 | 1,367,566,333 | 1,391,557,701 |

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

| | 2021 Interdepartmental Expense | 2021 Actual Gross Expense | 2021 Net Expense |
|---|--------------------------------------|---------------------------------|------------------------|
| | \$ | \$ | \$ |
| Non-Ministry Departments | | | |
| 02 Legislature | - | 4,741,129 | 4,741,129 |
| 05 Office of the Auditor General | 130 | 3,521,815 | 3,521,685 |
| 63 Parliamentary Registrar | - | 1,360,542 | 1,360,542 |
| 01 Governor & Staff | - | 1,222,823 | 1,222,823 |
| 92 Internal Audit | - | 1,117,625 | 1,117,625 |
| 56 Human Rights Commission | 65 | 1,037,534 | 1,037,469 |
| 85 Ombudsman's Office | 65 | 1,026,405 | 1,026,340 |
| 98 Information Commissioner's Office | 65 | 808,034 | 807,969 |
| 101 Privacy Commissioner's Office | - | 324,839 | 324,839 |
| | 325 | 15,160,746 | 15,160,421 |
| Cabinet Office Departments | | | |
| 09 Cabinet Office | 4,600 | 30,887,340 | 30,882,740 |
| 13 Post Office | 2,941 | 10,927,577 | 10,924,636 |
| 43 Department of Information and Digital Technologies | - | 8,571,265 | 8,571,265 |
| 26 Department of Human Resources | 20 | 3,039,622 | 3,039,602 |
| 51 Department of Communications | - | 2,966,715 | 2,966,715 |
| 14 Department of Statistics | - | 2,124,940 | 2,124,940 |
| 61 Department of Employee & Organizational Development | - | 1,560,694 | 1,560,694 |
| 94 Department of Economic Development | 130 | 1,112,800 | 1,112,670 |
| 80 Project Management & Procurement | - | 566,125 | 566,125 |
| 67 Department of Information & Communication Technology | - | 138,411 | 138,411 |
| | 7,691 | 61,895,489 | 61,887,798 |
| Ministry of Tourism & Transport | | | |
| 48 Ministry of Tourism & Transport HQ | - | 59,950,512 | 59,950,512 |
| 35 Public Transportation | 208,647 | 21,380,578 | 21,171,931 |
| 30 Marine & Ports | 19,438 | 16,575,441 | 16,556,003 |
| 34 Transport Control Department | 795 | 4,374,402 | 4,373,607 |
| | 228,880 | 102,280,933 | 102,052,053 |
| Ministry of Legal Affairs | | | |
| 23 Child and Family Services | 8,909 | 14,687,266 | 14,678,357 |
| 03 Judicial Department | 11,225 | 7,207,053 | 7,195,828 |
| 87 Ministry of Legal Affairs & Constitutional Reform HQ | 65 | 5,415,355 | 5,415,290 |
| 04 Attorney General's Chambers | 65 | 5,082,482 | 5,082,417 |
| 88 National Drug Control | 4,019 | 4,298,490 | 4,294,471 |
| 74 Department of Court Services | 1,021 | 3,819,104 | 3,818,083 |
| 75 Department of Public Prosecutions | - | 2,931,088 | 2,931,088 |
| | 25,304 | 43,440,838 | 43,415,534 |
| Ministry of Finance | | | |
| 11a Pensions and Retirement Benefits Expense | - | 132,954,684 | 132,954,684 |
| 58 Interest on Debt | - | 129,363,404 | 129,363,404 |
| 11 Accountant General | - | 62,198,733 | 62,198,733 |
| Early Tender Premium on Repurchased Debt (Note 15(b)) | | 59,252,481 | 59,252,481 |
| 58.2 Caroline Bay/Morgan's Point (Note 17) | | 15,746,218 | 15,746,218 |
| 10 Ministry of Finance HQ | - | 6,592,681 | 6,592,681 |
| 28 Social Insurance | 164,833 | 4,908,423 | 4,743,590 |
| 39 Registrar of Companies | 56 | 4,044,600 | 4,044,544 |
| 38 Office of the Tax Commissioner | - | 78,287 | 78,287 |
| | 164,889 | 415,139,511 | 414,974,622 |
| Ministry of Education | | | |
| 17 Department of Education | 36,487 | 106,121,749 | 106,085,262 |
| 41 Bermuda College | - | 15,906,000 | 15,906,000 |
| 16 Ministry of Education HQ | - | 3,485,295 | 3,485,295 |
| 18 Libraries & Archives | - | 2,882,349 | 2,882,349 |
| | 36,487 | 128,395,393 | 128,358,906 |
| Ministry of Health | | | |
| 24 Hospitals | - | 147,251,163 | 147,251,163 |
| 55 Financial Assistance | 3,030 | 52,861,308 | 52,858,278 |
| 22 Department of Health | 158,149 | 27,233,994 | 27,075,845 |
| 21 Ministry of Health HQ | 10,827 | 23,024,629 | 23,013,802 |
| 91 Health Insurance | - | 3,360,229 | 3,360,229 |
| | 172,006 | 253,731,323 | 253,559,317 |

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

| | 2021 Interdepartmental Expense | 2021 Actual Gross Expense | 2021 Net Expense |
|---|--------------------------------------|---------------------------------|------------------------|
| | \$ | \$ | \$ |
| Ministry of Labour, Community Affairs & Sports | | | |
| 60 Workforce Development | 2,381 | 62,140,591 | 62,138,210 |
| 20 Youth, Sport & Recreation | 91,352 | 8,703,810 | 8,612,458 |
| 71 Ministry of Youth, Culture & Sports HQ | - | 1,465,558 | 1,465,558 |
| 52 Community & Cultural Affairs | 130 | 872,994 | 872,864 |
| | 93,863 | 73,182,953 | 73,089,090 |
| Ministry of National Security | | | |
| 07 Police | 49,071.00 | 64,591,124.00 | 64,542,053 |
| 25 Department of Corrections | 93,005.00 | 26,038,043.00 | 25,945,038 |
| 12 Customs | 26,428.00 | 16,904,165.00 | 16,877,737 |
| 45 Fire Services | 3,286.00 | 13,841,988.00 | 13,838,702 |
| 06 Defence | 289.00 | 13,225,834.00 | 13,225,545 |
| 27 Immigration | 75.00 | 4,346,309.00 | 4,346,234 |
| 83 Ministry of National Security HQ | 128.00 | 3,375,185.00 | 3,375,057 |
| | 172,282 | 142,322,648.00 | 142,150,367 |
| Ministry of Home Affairs | | | |
| 79 Environment & Natural Resources | 3,183 | 7,536,806 | 7,533,623 |
| 32 Department of Planning | - | 2,716,541 | 2,716,541 |
| 93 Ministry of Home Affairs HQ | - | 1,662,015 | 1,662,015 |
| 29 Registry General | 392 | 1,509,185 | 1,508,793 |
| 89 Energy | - | 871,489 | 871,489 |
| | 3,575 | 14,296,036 | 14,292,461 |
| Ministry of Public Works | | | |
| 82 Works & Engineering | 705 | 53,349,664 | 53,348,959 |
| 81 Public Lands & Buildings | 8,980 | 37,358,314 | 37,349,334 |
| 36 Ministry of Public Works HQ | 849,024 | 11,508,790 | 10,659,766 |
| 68 Parks | 1,205 | 7,988,078 | 7,986,873 |
| 53 Bermuda Housing Corporation | - | 5,437,500 | 5,437,500 |
| 97 Land Title & Registration | 60 | 1,242,794 | 1,242,734 |
| 49 Land Valuation | 65 | 835,323 | 835,258 |
| | 860,039 | 117,720,463 | 116,860,424 |
| TOTAL CURRENT EXPENSES | 1,765,341 | 1,367,566,333 | 1,365,800,992 |

Government of Bermuda - Consolidated Fund
Schedule 11: Schedules of Tangible Capital Assets and Assets Under Construction
As at March 31, 2021

| | Estimated Useful Life | COST | | | | ACCUMULATED AMORTIZATION | | | | 2021 Net Book Value | 2020 Net Book Value |
|--------------------------------------|-----------------------|----------------------|-------------------|-------------------------|----------------------|--------------------------|----------------------|-------------------------|----------------------|---------------------|---------------------|
| | | Opening Balance | Additions | Disposals & Adjustments | Closing Balance | Opening Balance | Amortization Expense | Disposals & Adjustments | Closing Balance | | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | | |
| Tangible Capital Assets | | | | | | | | | | | |
| Land | Indefinite | 45,649,928 | - | - | 45,649,928 | - | - | - | - | 45,649,928 | 45,649,928 |
| Buildings & Betterments | 2 - 40 years | 656,532,917 | 1,039,033 | (1,081,807) | 656,490,143 | (293,661,716) | (17,707,460) | 995,170 | (310,374,006) | 346,116,137 | 362,871,201 |
| Infrastructure | 10 - 40 years | 258,327,148 | 5,795,964 | 144,925 | 264,268,037 | (108,458,814) | (9,903,575) | - | (118,362,389) | 145,905,648 | 149,868,334 |
| Vehicles & Heavy Equipment | 5 - 7 years | 102,749,510 | 2,620,769 | (4,398,778) | 100,971,501 | (90,891,801) | (3,997,292) | 4,275,869 | (90,613,224) | 10,358,277 | 11,857,709 |
| Boats & Vessels | 5 - 10 years | 47,559,764 | 202,946 | - | 47,762,710 | (45,816,421) | (686,578) | - | (46,502,999) | 1,259,711 | 1,743,343 |
| Computer Software | 10 years | 48,335,191 | 5,493,441 | (221,285) | 53,607,347 | (37,392,801) | (3,129,417) | 136,672 | (40,385,546) | 13,221,801 | 10,942,390 |
| Office Equipment | 5 years | 21,368,838 | 1,402,618 | (353,286) | 22,418,170 | (16,921,289) | (1,729,476) | 475,531 | (18,175,234) | 4,242,936 | 4,447,549 |
| Computer Hardware | 3 - 7 years | 28,466,123 | 2,257,518 | (563,310) | 30,160,331 | (25,673,406) | (1,840,989) | 203,263 | (27,311,132) | 2,849,199 | 2,792,717 |
| Capital Leases | 3 - 20 years | 8,642,675 | 38,850 | (1,134,792) | 7,546,733 | (5,421,821) | (252,984) | 1,126,967 | (4,547,838) | 2,998,895 | 3,220,854 |
| Furniture & Fixtures | 7 years | 8,285,156 | 254,532 | 188,049 | 8,727,737 | (6,018,511) | (580,852) | 7,541 | (6,591,822) | 2,135,915 | 2,266,645 |
| Plant, Machinery & Equipment | 10 - 30 years | 133,285,647 | 43,947 | - | 133,329,594 | (95,881,685) | (8,382,856) | 395 | (104,264,146) | 29,065,448 | 37,403,962 |
| Total Tangible Capital Assets | | 1,359,202,897 | 19,149,618 | (7,420,284) | 1,370,932,231 | (726,138,265) | (48,211,479) | 7,221,408 | (767,128,336) | 603,803,895 | 633,064,632 |
| Assets Under Construction | | 39,368,311 | 36,072,488 | (22,499,329) | 52,941,470 | - | - | - | - | 52,941,470 | 39,368,311 |

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures
For the year ended March 31, 2021

| | Expenses | Expenditure ¹ | Adjusted Estimates ² | Under (Over) Spent | |
|--|---|--------------------------|---------------------------------|--------------------|-------------|
| | \$ | \$ | \$ | \$ | |
| Non-Ministry Departments | | | | | |
| 02 | Legislature | 4,741,129 | 4,707,324 | 5,766,160 | 1,058,836 |
| 05 | Office of the Auditor General | 3,521,815 | 3,357,480 | 4,205,290 | 847,810 |
| 01 | Governor & Staff | 1,222,823 | 1,213,721 | 1,395,034 | 181,313 |
| 92 | Internal Audit | 1,117,625 | 1,113,410 | 1,434,045 | 320,635 |
| 63 | Parliamentary Registrar | 1,360,542 | 1,355,088 | 1,571,232 | 216,144 |
| 56 | Human Rights Commission | 1,037,534 | 1,034,771 | 1,269,395 | 234,624 |
| 85 | Ombudsman's Office | 1,026,405 | 1,021,144 | 1,129,436 | 108,292 |
| 98 | Information Commissioner's Office | 808,034 | 800,349 | 1,061,493 | 261,144 |
| 101 | Privacy Commissioner's Office | 324,839 | 322,149 | 517,258 | 195,109 |
| | | 15,160,746 | 14,925,436 | 18,349,343 | 3,423,907 |
| Cabinet Office Departments | | | | | |
| 09 | Cabinet Office | 30,887,340 | 30,876,061 | 32,462,795 | 1,586,734 |
| 13 | Post Office | 10,927,577 | 9,048,384 | 10,501,701 | 1,453,317 |
| | Department of Information and Digital Technologies | 8,571,265 | 7,121,152 | 7,616,365 | 495,213 |
| 26 | Department of Human Resources | 3,039,622 | 3,039,447 | 3,648,594 | 609,147 |
| 51 | Department of Communications | 2,966,715 | 2,744,788 | 2,838,981 | 94,193 |
| 14 | Department of Statistics | 2,124,940 | 2,107,630 | 2,493,099 | 385,469 |
| 61 | Department of Employee & Organizational Development | 1,560,694 | 1,560,694 | 1,907,077 | 346,383 |
| 94 | Department of Economic Development | 1,112,800 | 1,112,800 | 1,727,418 | 614,618 |
| 80 | Project Management & Procurement | 566,125 | 563,325 | 826,461 | 263,136 |
| 67 | Department of Information & Communication Technology | 138,411 | 138,411 | - | (138,411) |
| | | 61,895,489 | 58,312,692 | 64,022,491 | 5,709,799 |
| Ministry of Tourism & Transport | | | | | |
| 48 | Ministry of Tourism & Transport HQ | 59,950,512 | 59,634,276 | 59,831,864 | 197,588 |
| 35 | Public Transportation | 21,380,578 | 18,421,228 | 23,360,221 | 4,938,993 |
| 30 | Marine & Ports | 16,575,441 | 16,896,421 | 21,716,731 | 4,820,310 |
| 34 | Transport Control Department | 4,374,402 | 4,270,262 | 5,490,326 | 1,220,064 |
| | | 102,280,933 | 99,222,187 | 110,399,142 | 11,176,955 |
| Ministry of Legal Affairs | | | | | |
| 03 | Judicial Department | 7,207,053 | 6,931,243 | 8,242,600 | 1,311,357 |
| 87 | Ministry of Legal Affairs & Constitutional F | 5,415,355 | 5,383,612 | 6,734,628 | 1,351,016 |
| 04 | Attorney General's Chambers | 5,082,482 | 5,004,128 | 6,127,732 | 1,123,604 |
| 74 | Department of Court Services | 3,819,104 | 3,800,299 | 4,726,684 | 926,385 |
| 88 | National Drug Control | 4,298,490 | 3,689,411 | 4,418,204 | 728,793 |
| 75 | Department of Public Prosecutions | 2,931,088 | 2,917,073 | 3,443,811 | 526,738 |
| | | 28,753,572 | 27,725,766 | 33,693,659 | 5,967,893 |
| Ministry of Finance | | | | | |
| 58 | Interest on Debt | 129,363,404 | 129,363,404 | 121,400,000 | (7,963,404) |
| 58.1 | Early Tender Premium on Repurchased I | 59,252,481 | - | - | - |
| 58.2 | Caroline Bay/Morgan's Point (Note 17) | 15,746,218 | 15,746,218 | 7,300,000 | (8,446,218) |
| 11 | Accountant General | 62,198,733 | 60,772,769 | 85,850,000 | 25,077,231 |
| 28 | Social Insurance | 4,908,423 | 4,910,739 | 4,974,716 | 63,977 |
| 10 | Ministry of Finance HQ | 6,592,681 | 6,445,429 | 6,294,812 | (150,617) |
| 39 | Registrar of Companies | 4,044,600 | 3,902,096 | 4,386,676 | 484,580 |
| 38 | Office of the Tax Commissioner Pension and Retirement Benefits | 78,287 | 3,467,412 | 3,835,901 | 368,489 |
| 11a | Expense | 132,954,684 | - | - | - |
| | | 415,139,511 | 224,608,067 | 234,042,105 | 9,434,038 |

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, 2021

| | Expenses | Expenditure ¹ | Adjusted Estimates ² | Under (Over) Spent |
|--|----------------------|--------------------------|---------------------------------|--------------------|
| | \$ | \$ | \$ | \$ |
| Ministry of Education & Workforce Development | | | | |
| 17 Department of Education | 106,121,749 | 105,100,751 | 113,781,451 | 8,680,700 |
| 41 Bermuda College | 15,906,000 | 15,906,000 | 15,906,000 | - |
| 16 Ministry of Education HQ | 3,485,295 | 3,485,295 | 4,522,513 | 1,037,218 |
| 18 Libraries & Archives | 2,882,349 | 2,855,558 | 3,251,707 | 396,149 |
| | 128,395,393 | 127,347,604 | 137,461,671 | 10,114,067 |
| Ministry of Health | | | | |
| 24 Hospitals | 147,251,163 | 147,251,163 | 147,251,163 | - |
| 22 Department of Health | 27,233,994 | 27,001,426 | 28,283,707 | 1,282,281 |
| 21 Ministry of Health HQ | 23,024,629 | 24,901,162 | 26,049,491 | 1,148,329 |
| 91 Health Insurance | 3,360,229 | 3,357,698 | 3,375,141 | 17,443 |
| | 200,870,015 | 202,511,449 | 204,959,502 | 2,448,053 |
| Ministry of Labour | | | | |
| 60 Workforce Development | 62,140,591 | 62,108,091 | 63,094,562 | 986,471 |
| 55 Financial Assistance | 52,861,308 | 52,763,503 | 53,606,720 | 843,217 |
| 27 Immigration | 4,346,309 | 4,211,155 | 5,504,000 | 1,292,845 |
| | 119,348,208 | 119,082,749 | 122,205,282 | 3,122,533 |
| Ministry of the Social Development & Seniors | | | | |
| 23 Child and Family Services | 14,687,266 | 14,549,794 | 17,054,845 | 2,505,051 |
| | 14,687,266 | 14,549,794 | 17,054,845 | 2,505,051 |
| Ministry of Youth, Culture & Sports | | | | |
| 20 Youth, Sport & Recreation | 8,703,810 | 8,632,784 | 10,326,662 | 1,693,878 |
| 71 Ministry of Youth, Culture & Sports HQ | 1,465,558 | 1,427,351 | 2,190,672 | 763,321 |
| 52 Community & Cultural Affairs | 872,994 | 872,994 | 2,083,142 | 1,210,148 |
| | 11,042,362 | 10,933,129 | 14,600,476 | 3,667,347 |
| Ministry of National Security | | | | |
| 07 Police | 64,591,124 | 63,701,955 | 61,839,655 | (1,862,300) |
| 25 Department of Corrections | 26,038,043 | 25,558,419 | 25,589,600 | 31,181 |
| 12 Customs | 16,904,165 | 15,972,106 | 17,232,920 | 1,260,814 |
| 45 Fire Services | 13,841,988 | 13,576,705 | 14,727,519 | 1,150,814 |
| 06 Defence | 13,225,834 | 13,020,903 | 14,569,406 | 1,548,503 |
| 83 Ministry of National Security HQ | 3,375,185 | 3,374,792 | 3,977,246 | 602,454 |
| | 137,976,339 | 135,204,880 | 137,936,346 | 2,731,466 |
| Ministry of Home Affairs | | | | |
| 79 Environment & Natural Resources | 7,536,806 | 7,439,552 | 8,351,902 | 912,350 |
| 32 Department of Planning | 2,716,541 | 2,692,500 | 3,348,433 | 655,933 |
| 93 Ministry of Home Affairs HQ | 1,662,015 | 1,657,663 | 3,574,503 | 1,916,840 |
| 29 Registry General | 1,509,185 | 1,506,853 | 1,820,041 | 313,188 |
| 89 Energy | 871,489 | 871,489 | 880,070 | 8,581 |
| | 14,296,036 | 14,168,057 | 17,974,949 | 3,806,892 |
| Ministry of Public Works | | | | |
| 82 Works & Engineering | 53,349,664 | 31,833,871 | 29,273,668 | (2,560,203) |
| 81 Public Lands & Buildings | 37,358,314 | 18,853,282 | 19,918,608 | 1,065,326 |
| 36 Ministry of Public Works HQ | 11,508,790 | 12,378,566 | 12,785,572 | 407,006 |
| 68 Parks | 7,988,078 | 7,661,744 | 9,289,127 | 1,627,383 |
| 53 Bermuda Housing Corporation | 5,437,500 | 5,437,500 | 6,050,000 | 612,500 |
| 97 Land Title & Registration | 1,242,794 | 1,208,709 | 1,463,282 | 254,573 |
| 49 Land Valuation | 835,323 | 820,045 | 1,058,505 | 238,460 |
| | 117,720,463 | 78,193,717 | 79,838,762 | 1,645,045 |
| TOTAL CURRENT | 1,367,566,333 | 1,126,785,527 | 1,192,538,573 | 65,753,046 |

¹Adjusted for Non-Cash, Non-Budget Items

²Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 13: Commitments - Legislated
For the year ended March 31, 2021

| | 2021 | 2020 |
|--|--------|--------|
| | Actual | Actual |
| | \$ | \$ |

Unspent Capital Appropriations

In accordance with Section 6 of the Appropriations Act 2021, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:

| | | |
|---------------------|------------------|---|
| Capital Development | 4,042,571 | - |
| Capital Acquisition | 677,653 | - |
| | 4,720,224 | - |

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 | 1,021,231,775 | 994,429,775 |
| Projects Completed during the year | (30,245,000) | (146,135,000) |
| Supplementary Estimate | 4,676,910 | - |
| Revised Total Authorized Funding | 995,663,685 | 848,294,775 |
| Appropriated Capital Development | (430,252,862) | (398,378,755) |
| Unappropriated Capital Development Commitments | 565,410,823 | 449,916,020 |

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

| | 2021 | 2020 |
|--|---------------|--------|
| | Actual | Actual |
| | \$ | \$ |

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

Section 2A(1) of the Act limits public debt (net of sinking fund assets) to \$2.90 billion, as amended March 16, 2020. (Note 15(c))

| | | |
|--------------------------------|----------------------|---------------|
| Debt (Schedule 7) | 3,350,000,000 | 2,687,360,979 |
| Less: | | |
| Sinking Fund (Schedule 7) | 348,471,195 | 41,330,865 |
| Public Debt | 3,001,528,805 | 2,646,030,114 |
| Legislated Limit (Note 15 (e)) | 3,500,000,000 | 2,900,000,000 |
| Available Limit | 498,471,195 | 253,969,886 |