



OFFICE OF THE
AUDITOR GENERAL
MANITOBA

Website Version

Audit of the Public Accounts
for the year ended March 31, 2008

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To contribute to effective governance by the Manitoba Legislature, we provide the Members of the Legislative Assembly with independent assurance and advice on:

- government accountability information;
- compliance with legislative authorities; and
- the operational performance of government.

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Integrity	Openness

In Achieving Our Vision

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Independence	Professional Excellence

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December 2008

The Honourable George Hickes
Speaker of the House
Room 244, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Sir:

I have the honour to transmit herewith my report titled, *Audit of the Public Accounts for the year ended March 31, 2008*, to be laid before Members of the Legislative Assembly in accordance with the provisions of Sections 10(1) and 28 of The Auditor General Act.

Respectfully submitted,

Original document signed by:
Carol Bellringer

Carol Bellringer, FCA, MBA
Auditor General

Website Version

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Message from the Auditor General

The Auditor General Act (the Act) requires me to report to the Assembly by December 31st in each year about the examinations and audits conducted under Section 9 of the Act. This section of the Act relates to audits of the Public Accounts and other financial statements included in the Province's Public Accounts.

During the year, our Office spends over half of our audit time completing these financial statement audits. At the end of each audit, we issue an "audit opinion" which is published in conjunction with the individual entity's financial statements and which states whether the statements present fairly the financial position and results of operations in accordance with "generally accepted accounting principles" (GAAP). GAAP are standards established by the Canadian Institute of Chartered Accountants (CICA) and its Public Sector Accounting Board (PSAB) following a rigorous, independent and objective process, which includes full consultation with all impacted constituents. All of the audit opinions we issued this year were "unqualified", meaning that each set of financial statements conformed with GAAP. This included our audit opinion on the Province's Summary Financial Statements, which was unqualified for 2007/08 with the inclusion of the School Divisions.

The Act also provides for us to *"advise appropriate officers and employees of matters discovered in conducting examinations and audits under this section"*. When it is necessary to do so, we issue this information in the form of a "management letter" which is provided to entity management as well as to their governing body, being the Minister of Finance for the Public Accounts and to Audit Committees of Boards of Directors for other entities we audit.

The Act also requires us to communicate to the Assembly those matters which warrant the Assembly's attention. When we conduct a financial statement audit, it is done so in accordance with "generally accepted auditing standards" as set out by the CICA, designed to result in an audit opinion on the financial statements. It is important to note that a financial statement audit is not designed to detect fraud, to evaluate internal controls or to identify management weaknesses. However, we would report significant matters should they come to our attention.

There were no such matters that came to our attention which need to be brought forward to the Assembly this year. We have, however, included an update on previously issued recommendations in this report (Section 4.0). We have also included information for the Assembly's attention about the highlights of the audit of the Public Accounts for the 2007/08 fiscal year (Section 1.0), about understanding the Summary Financial Statements (Section 2.0) and we highlight

some of the key areas which could have a significant impact on the Province's financial reporting and results in future years (**Section 3.0**).

While the Act also states that *"nothing in this Act is to be interpreted as entitling the Auditor General to question the merits of policy objectives of government"*, certain areas we audit are closely linked to government policy. For example, this report includes a discussion around "Balanced Budget Legislation" (BBL – **Section 3.2**). While BBL outlines the government's policy objectives about which we make no comment, BBL also points to the Summary Financial Statements as the basis for measuring the Province's financial results. We are pleased that BBL will address the concerns we previously expressed around the confusion associated with having more than one set of financial statements and that those statements will be prepared in accordance with GAAP standards.

The financial reporting model for the Summary Financial Statements is discussed in **Section 2.2** of this report. The required use of more than one set of accounting standards in the public sector makes the preparation of financial statements a complex undertaking.

Adding to the complexity of preparing financial statements will be the adoption of International Financial Reporting Standards (IFRS) by the CICA for certain organizations which may impact certain entities in the Summary Financial Statements by 2011/12. We discuss the potential impact of IFRS in **Section 3.1** of this report and recommend that the Government provide direction to organizations in its Reporting Entity that are currently expected to adopt IFRS with respect to what course of action should be taken.

In recent months, following the issuance of our 2007/08 audit opinions on the Province's financial statements, global stock markets have taken a very significant downward plunge. Stock markets remain very volatile as the markets react to quarterly financial results in various sectors and public policy (monetary and fiscal) decisions. Uncertainty remains regarding the duration of the downturn in the economy and the extent to which various sectors of the economy will be affected. While our annual audit plans are always designed to assess risk, this unprecedented situation will require additional effort in appropriately designing our upcoming year end audit work. The Office of the Auditor General is dedicated to serving Members of the Legislature with the highest standard of professional excellence. 2008/09 will be no exception.

Carol Bellringer, FCA, MBA
Auditor General

1.0 Highlights of the Audit of Public Accounts for the 2007/08 Fiscal Year

The Government received an unqualified audit opinion from us on the Summary Financial Statements, as a result of fully consolidating the financial position and annual results of school divisions in the 2007/08 financial statements. This means that the Summary Financial Statements were prepared in accordance with generally accepted accounting principles (GAAP) for senior governments, as prescribed by the *Public Sector Accounting Handbook*.

In the 2007/08 public accounts, the Government significantly improved its disclosure related to pension obligations in Schedule 7 to the Summary Financial Statements (**Appendix A**) by summarizing in a table additional information on plan assets, pension obligations and pension expense. The expanded disclosure is consistent with recommendations in the *Public Sector Accounting Handbook* and provides more information to better understand the components of the Government's pension liability and pension expense, including information about the significant actuarial assumptions.

This year, the Government also adopted a new public sector accounting standard for Segment Disclosures. As a result, Schedule 10, Consolidated Statement of Operations by Sector was included in the Summary Financial Statements (**Appendix B**). The schedule breaks down the revenues and expenses on the Consolidated Statement of Revenue and Expense into defined segments (or sectors) for the current and prior year. The presentation of segmented information is intended to help users of financial statements better understand the resources allocated to support the Government's major activities, understand the manner in which organizations in a government are organized and how the government discharges its accountability obligations, thereby improving the transparency of financial reporting.

2007/08 is the final year for which we performed two audits, one for the Summary Financial Statements of the Government, and one for the Operating Fund and Special Fund Special Purpose Financial Statements. The audit of the Operating Fund and Special Fund was required because *The Balanced Budget, Debt Repayment and Taxpayer Accountability Act* referred to these audited special purpose financial statements in determining balanced budget compliance requirements. In October 2008, this legislation was replaced with *The Balanced Budget, Fiscal Management and Taxpayer Accountability Act* (BBL). This, along with amendments to *The Financial Administration Act*, means that separate audited special purpose financial statements will no longer be required in future years. More details about BBL can be found in **Section 3.0** of this report.

The next section of this report provides more information on the Summary Financial Statements of the Government.

2.0 Understanding the Summary Financial Statements

2.1 What is Included in the Summary Financial Statements

The Summary Financial Statements reflect the financial position and annual results of all organizations within the Government Reporting Entity (GRE). The GRE consists of the Operating Fund and Special Funds and all the organizations which the Government controls. Public Sector Accounting Standards define control in its essence to be the power to govern the financial and operating policies of an organization. The listing of organizations which are included in the GRE is included on Schedule 9, pages 106-109, in the *Government of the Province of Manitoba Annual Report for the year ended March 31, 2008* (2008 Annual Report), and is reproduced in **Appendix C** of this report. The organizations within the GRE generally consist of not-for-profit entities, government business type organizations (GBTOs), Government Business Enterprises (GBEs), and school divisions.

GBTOs are organizations which generate a significant portion of their revenues from exchange type transactions (sale of goods and services) but still require government funding to sustain their operations. The GBTOs included in the GRE include Manitoba Housing and Renewal Corporation, Manitoba Agricultural Services Corporation and all of the Government's Special Operating Agencies.

GBEs are organizations which generate all of their revenues from exchange transactions, and their operations are self-sustaining (they do not rely on government funding). The GBEs included in the GRE include: Manitoba Hydro-Electric Board, Manitoba Public Insurance Corporation, Workers Compensation Board, Manitoba Liquor Control Commission, Manitoba Lotteries Corporation, Manitoba Product Stewardship Corporation, Leaf Rapid Town Properties Ltd., and Manitoba Hazardous Waste Management Corporation.

2.2 Financial Reporting Model for the Summary Financial Statements

The financial reporting model for the Summary Financial Statements as prescribed by the Public Sector Accounting Standards Board includes five key elements as follows: net debt, accumulated surplus or deficit, annual surplus or deficit, change in net debt for the year, and cash position and cash flow for the year. Each of these elements helps the users to understand how the government has managed its financial resources for the year and its year end financial position. **Figures 1-4** contain excerpts from the Summary Financial Statements of the Province of Manitoba for the 2007/08 fiscal year that illustrate the key components of the reporting model. The discussion which follows makes reference to the page numbers in the Province's Annual Report available on its website www.gov.mb.ca/finance/financialreports.html.

Figure 1

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08			
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at March 31, 2008			
		(\$ millions)	
SCHEDULE		2008	2007
FINANCIAL ASSETS			
	Cash and cash equivalents (Note 2).....	1,994	2,458
	Temporary investments (Note 2).....	589	246
1	Amounts receivable.....	1,170	1,103
	Inventories for resale.....	10	11
	Portfolio investments (Note 3).....	3,470	2,504
2	Loans and advances.....	565	574
3	Equity in government business enterprises (Note 4).....	2,698	1,933
4	Other long-term investments.....	7	7
	Total Financial Assets	10,483	8,836
LIABILITIES			
5	Borrowings.....	13,437	12,378
6	Accounts payable, accrued charges, provisions and unearned revenue.....	2,783	2,733
7	Pension liability (Note 5).....	4,451	4,190
	Total Liabilities	20,671	19,301
	NET DEBT	(10,188)	(10,465)
NON-FINANCIAL ASSETS (Note 1D.vi)			
	Inventories.....	36	31
	Prepaid expense.....	36	31
8	Tangible capital assets.....	5,923	5,299
		5,995	5,361
	ACCUMULATED DEFICIT	(4,193)	(5,104)
	Contingencies (Note 6)		
	Contractual Obligations (Note 7)		

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

Figure 2

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08			
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE For the Year Ended March 31, 2008			
	(\$ millions)		
	2008 Budget	2008 Actual	2007 Actual
REVENUE			
Income taxes:			
Corporation income tax.....	279	367	311
Individual income tax.....	2,159	2,285	2,130
Other taxes:			
Retail sales tax.....	1,326	1,391	1,277
Fuel taxes.....	232	248	241
Levy for health and education.....	329	341	318
Mining tax.....	107	100	96
Education property tax.....	697	646	643
Other taxes.....	558	562	554
Fees and other revenue.....	1,215	1,619	1,493
Federal transfers:			
Equalization.....	1,826	1,826	1,709
Canada Health and Canada Social Transfers.....	1,341	1,210	1,198
Shared cost and other.....	520	561	413
Net income from government business enterprises (Schedule 3).....	686	946	627
Sinking funds and other investment earnings.....	534	335	375
TOTAL REVENUE (Schedules 10 and 11).....	11,809	12,437	11,385
EXPENSES			
Health and Healthy Living.....	4,091	4,224	3,956
Education.....	3,104	3,218	2,948
Family Services and Housing.....	1,251	1,224	1,142
Community, Economic and Resource Development.....	1,385	1,406	1,280
Justice and Other Expenditures.....	943	974	829
Debt Servicing (Note 8).....	860	815	745
TOTAL EXPENSES (Schedules 10 and 11).....	11,634	11,861	10,900
NET INCOME FOR THE YEAR.....	175	576	485

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

Figure 3

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08			
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT For the Year Ended March 31, 2008			
	(\$ millions)		
	2008 Budget	2008 Actual	2007 Actual
Net Income for the year.....	175	576	485
Tangible Capital Assets			
Acquisition of tangible capital assets.....	(663)	(1,022)	(771)
Amortization of tangible capital assets.....	-	358	342
Disposal of tangible capital assets.....	-	40	6
Net Acquisition of Tangible Capital Assets.....	(663)	(624)	(423)
Other Non-Financial Assets			
Increase in inventory held for use.....	-	(5)	1
Increase in prepaid expense.....	-	(5)	(5)
Net Acquisition of Other non-Financial Assets	-	(10)	(4)
Adoption of Accounting policy on Financial Instruments (Note 9D).....	-	(23)	-
Other Comprehensive Income (Schedule 3).....	88	358	56
(Increase) Decrease in Net Debt.....	(420)	277	114
Net Debt, beginning of year, as restated.....	(10,403)	(10,465)	(10,579)
Net Debt, end of year.....	(10,823)	(10,188)	(10,465)

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

Figure 4

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08		
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF CASH FLOW For the Year Ended March 31, 2008		
	(\$ millions)	
	2008	2007
Cash and cash equivalents provided by (used in)		
Operating Activities		
Net Income for the year.....	576	485
Changes in non-cash items:		
Temporary investments.....	(323)	98
Amounts receivable.....	(61)	(55)
Valuation allowance.....	(2)	(2)
Inventories.....	(4)	-
Prepays.....	(5)	(5)
Accounts payable, accrued charges, provisions and deferrals.....	50	204
Pension liability.....	261	192
Amortization of foreign currency fluctuation.....	6	6
Amortization of debt discount.....	(6)	6
Amortization of investment discounts and premiums.....	2	1
Loss (gain) on disposal of tangible capital assets.....	40	6
Amortization of tangible capital assets.....	358	342
	892	1,278
Adoption of Accounting policy on Financial Instruments.....	(23)	-
Other Comprehensive Income.....	358	56
Changes in equity in government business enterprises.....	(765)	(193)
Cash provided by operating activities	482	1,141
Capital Activities		
Acquisition of tangible capital assets.....	(1,022)	(771)
Cash used in capital activities	(1,022)	(771)
Investing Activities		
Investments purchased.....	(2,346)	(1,171)
Investments sold or matured.....	602	1,650
Cash provided by investing activities	(1,744)	479
Financing Activities		
Debt issued.....	3,661	2,641
Debt redeemed.....	(1,821)	(2,290)
Cash provided by financing activities	1,840	351
Increase in cash and cash equivalents	(464)	1,200
Cash and cash equivalents, beginning of year.....	2,458	1,258
Cash and cash equivalents, end of year.....	1,994	2,458
The accompanying notes and schedules are an integral part of these financial statements.		

Net Debt (Figure 1) is calculated as the difference between financial assets and total liabilities of a government. It represents the amount of future revenues which the government will have to generate to pay for past transactions and events. Net Debt is reported on the Consolidated Statement of Financial Position on page 71 (2008 Annual Report). It is important to distinguish net debt from total borrowings (issued debt). Borrowings of a government refer to the total gross issued debt by the Government (past and present) and include short term and long term issued debt. Schedule 5 on page 101 (2008 Annual Report), reproduced in **Appendix D**, provides details of the Government's Borrowings. While this schedule reflects amounts borrowed by the Province on behalf of the GBEs, these amounts are deducted to determine the total borrowings of the Province in the Consolidated Statement of Financial Position, because these amounts represent debt of the GBEs, not of the Province. It is important to note that Borrowings are just one component of total liabilities. As shown on the Consolidated Statement of Financial Position (**Figure 1**), total liabilities consist of Borrowings, Accounts Payable, and Pension Liabilities.

The **Accumulated Surplus or Deficit (Figure 1)** represents the difference between total assets of the government and total liabilities and indicates the extent to which a government has resources to pay for future services. The accumulated deficit of the Government is shown on the Consolidated Statement of Financial Position on page 71 (2008 Annual Report).

The **Annual Surplus or Deficit (Figure 2)** represents the difference between total revenues from operations during the year and total expenses (costs) incurred during the year. The annual surplus for 2007/08 is shown as Net Income for the year on the Consolidated Statement of Revenue and Expense on page 72 (2008 Annual Report).

The Government's **Change in Net Debt (Figure 3)** for the year represents the extent to which sufficient revenues were raised during the year to support government spending for both operating and capital purposes. The Consolidated Statement of Change in Net Debt is on page 74 (2008 Annual Report).

The Government's **Cash Position and Cash Flow (Figure 4)** provides information on how the government has managed its cash during the year and its sources of cash flow and use of cash resources. The Consolidated Statement of Cash Flow is on page 75 (2008 Annual Report).

2.3 Framework of Financial Reporting for Entity Level and Summary Financial Statements.

The Summary Financial Statements are prepared in accordance with the framework of generally accepted accounting principles (GAAP) for senior governments. Government accounting standards are issued by the Public Sector Accounting Board (PSAB) in the *Public Sector Accounting Handbook*.

With the exception of GBEs, the revenues, expenses, assets and liabilities of all organizations in the GRE are fully consolidated into the Government's Summary Financial Statements as required by public sector accounting standards.

The financial results of GBEs are reflected in the Summary Financial Statements on the modified equity basis of accounting. This requires that only the net income of the GBEs is reflected in the Consolidated Statement of Revenue and Expense, as indicated in Figure 2 and only the equity of the GBEs (Assets minus Liabilities) is reflected in the Consolidated Statement of Financial Position (Figure 1). Unlike the full consolidation method, under the modified equity method of accounting, transactions between the GBEs and the rest of the GRE are not eliminated on consolidation and GBEs' equity and net income is not restated to conform to the Government's basis of accounting for purposes of inclusion in the Summary Financial Statements.

The net income and financial position for each GBE is reflected in Schedule 3 to the Summary Financial Statements, (Appendix E).

The majority of organizations within the GRE prepare their entity level financial statements in accordance with the *Canadian Institute of Chartered Accountants (CICA) Accounting Handbook* which contains accounting standards for profit oriented enterprises and not-for-profit organizations. School Divisions prepare their entity level financial statements in accordance with public sector accounting standards as contained in the *Public Sector Accounting Handbook*. The application of more than one set of standards in the public sector for the purposes of preparing entity level financial statements for organizations within the GRE, adds complexity to the preparation of the Summary Financial Statements. As new accounting standards are evolving, it is important to understand if any changes will impact entity level financial reporting, and whether there will be any impact of the changes to the summary financial reporting for the Government. A significant change in accounting standards that is currently in progress is the transitioning from Canadian to International Financial Reporting Standards (IFRS) for publicly accountable enterprises in Canada. This change and its impact on organizations within the GRE and on the Summary Financial Statements is discussed in Section 3.0 of this report.

2.4 Financial Instruments and Other Comprehensive Income

New accounting standards for financial instruments were recently introduced in the CICA Accounting Handbook. Financial instruments include assets such as cash, accounts receivable, investments and liabilities such as accounts payable and borrowings.

Under the new standards, organizations following the CICA Accounting Handbook are required to value their financial instruments at either market or cost based values, and under both these methods there could be changes in the carrying value of financial instruments at each fiscal year end. PSAB however has not yet implemented new accounting standards for financial instruments and existing standards require governments to value all financial instruments at cost in their Summary Financial Statements.

The CICA Accounting Handbook standards for financial instruments impact the Government's Summary Financial Statements to the extent that the GBEs have adopted the standards, since as noted earlier, GBEs' financial results are not converted to PSAB GAAP prior to inclusion in the Summary Financial Statements. As a result, any changes in the value of GBEs' financial instruments will either flow through their net income for the year or be allocated to "other comprehensive income" or OCI in their entity level financial statements. As noted earlier, the net income for GBEs is reflected in the consolidated statement of revenue and expenses (Figure 2). OCI on the other hand is reflected as a component of change in net debt in the Summary Financial Statements (Figure 3). The distinction between whether the change in value is reflected in net income or as a change in net debt generally depends on whether the GBE holds the investment for purposes of actively trading it or for the long term.

3.0 Looking Forward

In this section, we highlight some of the key areas which could have a significant impact on the Province's financial reporting and results in the future.

3.1 International Financial Reporting Standards

Accounting Standards in Canada are in the process of transitioning to International Financial Reporting Standards (IFRS) for publicly accountable enterprises. Publicly accountable enterprises include all organizations that file financial statements with a securities commission or other regulatory organizations for purposes of trading in a public market.

Aside from publicly accountable enterprises, other organizations that follow the CICA Handbook for their financial reporting consist of private enterprises and not-for-profit organizations, including not-for-profit organizations within the GRE. The CICA will continue to set accounting standards for these organizations, independent of IFRS.

Public Sector Accounting Standards are also not converging to IFRS, and PSAB will continue to maintain its standard setting capacity in Canada for government financial reporting. PSAB has directed all GBEs and GBTOs to converge to IFRS for their entity level financial reporting, however PSAB is also currently in the process of revisiting this decision, due to concerns expressed by constituents. As a result, it is possible that GBTOs and GBEs may not have to follow IFRS in the future.

The scheduled date for conversion to IFRS from Canadian GAAP for publicly accountable enterprises is for fiscal years beginning on or after January 1, 2011 (with restated comparative figures). For a fiscal year ending March 31, the first fiscal year that an organization will be required to adopt IFRS will be 2011/12.

It is our position that we must audit to the accounting standards which are in effect for a fiscal reporting period. Therefore it is our expectation that GBEs and GBTOs will comply with current accounting standards which will require them to adopt IFRS by 2011/12 until directed otherwise.

If the requirement to adopt IFRS remains in effect, and is not adopted by a GBE or GBT by the prescribed deadline, GBEs and GBTs would receive a qualified audit opinion on their entity level financial statements. The Summary Financial Statements would be impacted to the extent to which there was a qualification in a GBE's financial statements. The financial results of GBTs are converted to PSAB GAAP when they are brought into the Summary Financial Statements, so the adoption of IFRS for their entity level financial statements would have no impact on the Summary Financial Statements.

Preparing for IFRS adoption will require significant effort and time on the part of organizations that are required to converge, and therefore it would be prudent for affected organizations to be actively planning for this now, in order to ensure they meet the deadline for conversion. Therefore in light of the uncertainty in the standards with respect to whether IFRS will continue to apply to GBEs and GBTs, the Government and each entity will need to make a business decision as to whether they will commence efforts to achieve compliance by 2011/12.

We therefore make the following recommendation:

That the Government provide guidance to organizations in its Reporting Entity that are currently expected to adopt IFRS with respect to what course of action should be taken.

Response from Officials

The Government is aware that Accounting Standards for Government Business Enterprises (GBE) and Government Business Type Organizations (GBT0) are transitioning to International Financial Reporting Standards (IFRS) in 2011/12 and the Government will provide guidance and assistance during the transition period, to all impacted organizations. The Government continues to monitor the work of the accounting standard setters and will communicate any new developments to the impacted organizations as new developments arise.

3.2 The Balanced Budget, Fiscal Management and Taxpayer Accountability Act

The Balanced Budget, Fiscal Management and Taxpayer Accountability Act (BBL) received royal assent on October 9, 2008.

In prior years, we have recommended that consideration be given to amending balanced budget legislation to refer to the Summary Financial Statements prepared in accordance with generally accepted accounting principles (GAAP) as recommended by the Public Sector Accounting Board (PSAB).

BBL resolves our concerns; however, it is important to note that our recommendation was limited to the use of the Summary Financial Statements prepared in accordance with GAAP as the basis for reflecting the government's financial position and financial results. Based on our legislative mandate, we cannot take a position on the related policy questions which Government has addressed such as whether the budget should balance or not, and if so over what period.

Under the Act, the test for a positive balance is based on the financial results of the Summary Financial Statements. The balance is calculated as the average of the net income or loss for the current plus three previous years. By using the Summary Financial Statements, the balance will include the annual financial results of all crown organizations in addition to the results of core government operations. The balance will also include all expenses of the GRE, including pension costs.

BBL provides for exclusions in Section 3(2) and 3(3) of the Act as follows:

- Proceeds from the sale of Crown Organizations may not be included in determining the balance
- Adjustments to the net income or loss for a year may be made because of
 - unanticipated natural or other disasters
 - war or the apprehension of war
 - unusual weather or climate conditions
 - decisions of another level of government or regulatory body.

Under Section 4 of BBL, the Government is required to prepare a statement that reports the actual balance at the end of the fiscal year under BBL, and also identify any adjustments made under Section 3(2) and (3) to determine that balance. Also under this section, the Auditor General is required to audit this statement each year.

4.0 Follow up of Prior Year's Recommendations

Each year, in our Report to the Legislative Assembly on the Audit of Public Accounts, we provide recommendations to the Government where we identify opportunities for improvement in financial management and reporting processes.

The status of implementation of our prior years' recommendations is as follows:

Recommendation	Status
That the Government set targets for the financial indicators which it reports on in the financial statement discussion and analysis, and report back against actual performance as compared to target in its annual report.	<i>Work in progress.</i> As required by BBL, the Government prepared a Financial Management Strategy which outlines its key financial management priorities, outcome measures and performance objectives related to these priorities for both the current and future fiscal years. The Government is also required to report annually on its actual performance against its performance objectives.
That the Province reshape its financial statement discussion and analysis to more closely reflect PSAB's statements of recommended practice on financial statement discussion and analysis and public performance reporting.	<i>Implemented.</i>
That consideration be given to amending Balanced Budget Legislation to refer to the Summary Financial Statements prepared in accordance with GAAP.	<i>Implemented.</i>

Recommendation	Status
That the Government develop generally accepted criteria to be used in determining the amount of emergency expenditures to be excluded in determining the Government's compliance with Balanced Budget Legislation.	<i>Action no longer required.</i> As part of the amended Balanced Budget Legislation, the Government has included criteria for determining emergency expenditures which should be excluded from determining compliance with BBL. However, as there are no established practices associated with such criteria, it is not possible to determine whether they are 'generally accepted'.
That the quarterly reports of the Province be prepared in accordance within the framework of generally accepted accounting principles.	<i>Work in progress.</i>
That Internal Audit and Consulting Services expand their work to include testing of controls associated with significant information systems.	<i>Implemented.</i>
That purchasing approval rights awarded to users in SAP be aligned with their delegated business authorities.	<i>Work in progress.</i>
That the Provincial Comptroller's Office in collaboration with the CIO's Office ensure that a government wide disaster recovery plan is developed and tested to ensure that critical business functions can be continued by recovering computer processing capabilities in the case of an event which disrupts computer servicing services or facilities.	<i>Work in progress.</i>
That the Provincial Comptroller's Office in collaboration with the CIO's Office review the use of security software tools to better manage the risks involving users with incompatible duties.	<i>Work in progress.</i>

Recommendation	Status
That the Province of Manitoba further assist departments to improve performance measurement and reporting through guidance based on the CICA Statement of Recommended Practice on public performance reporting.	<i>Work in progress.</i>
That the Province clarify and communicate the terms associated with long term payables to various government organizations for vacation pay and severance pay.	<i>Implemented.</i>
That the Province clarify terms for funding commitments to government organizations related to their pension liabilities.	<i>Implemented.</i>



Appendices

Consolidated Statement of Pension Liability

Appendix A

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

SCHEDULE 7

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF PENSION LIABILITY
As at March 31, 2008

	Civil Service Plan	Teachers' Plan	Post- Secondary Education Plans (Note A)	Public School Division Plans (Note A)	Healthcare Employees Pension Plan	Other Plans (Note A)	Total 2008 (\$ millions)	Total 2007 (\$ millions)
ACCRUED BENEFIT OBLIGATION								
Obligation at beginning of year as previously recorded	3,765	4,761	1,054	303	3,064	88	13,075	12,205
Reversal (Note 9)	-	31	-	-	-	-	31	-
Obligation at beginning of year as restated	3,765	4,792	1,054	303	3,064	88	13,100	12,236
Current service cost	143	143	40	14	198	5	542	536
Interest cost on benefit obligation	249	304	102	19	201	5	880	791
Change in actuarial (gains) losses and reserves	-	86	6	-	32	-	118	149
Plan amendment (Note B)	-	58	-	-	-	-	58	-
Benefits paid	(174)	(2,600)	(69)	(14)	(134)	(8)	(679)	(629)
Obligation at end of year	3,975	5,125	1,155	322	3,361	94	14,030	13,106
PLAN ASSETS								
Plan assets at beginning of year	2,140	2,746	1,274	327	3,395	32	9,914	8,840
Return on plan assets	81	134	27	27	135	1	405	1,147
Employer contributions	85	130	21	7	130	6	342	318
Employee contributions	59	66	17	6	92	4	244	236
Benefits paid	(174)	(2,600)	(69)	(14)	(134)	(8)	(679)	(627)
Plan assets at end of year	2,191	2,816	1,249	353	3,581	35	10,225	9,914
PENSION LIABILITY								
Plan deficit (surplus)	1,784	2,307	(94)	(31)	(220)	59	3,805	3,102
Unamortized actuarial (gains) losses	77	(150)	22	1	132	2	(15)	173
Surplus (deficit) (Note C)	58	333	77	30	187	1	665	825
Pension liability	1,899	2,490	-	-	-	62	4,451	4,190
PENSION EXPENSE								
Defined benefit pension plan expense								
Current service cost	62	66	40	14	198	9	389	361
Interest cost on benefit obligation	126	159	102	19	201	5	612	540
Actuarial (gains) losses	-	-	8	-	32	-	40	68
Return on plan assets	-	-	(27)	(27)	(135)	(1)	(190)	(535)
Employee contributions	-	-	(17)	(6)	(92)	-	(115)	(106)
Amortization of actuarial (gains) losses	(5)	9	1	-	-	(1)	4	31
Plan amendment (Note B)	-	58	-	-	-	-	58	-
Change in surplus adjustments	-	-	(69)	7	(111)	-	(190)	152
Defined benefit pension plan expense	183	292	21	7	93	12	608	511

Note A: Post-Secondary Education plans include the University of Manitoba Pension Plan, the University of Winnipeg Pension Plan and the Brandon University Retirement Plan. Public School Division plans include the Winnipeg School Division Pension Fund for Employees Other Than Teachers, Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division and Retirement Plan for Employees of Frontier School Division.

Note B: Other plans include the Members of Legislative Assembly Pension Plan, the Legislative Assembly Pension Plan, the Judges' Supplemental Pension Plan, and the Winnipeg Child and Family Services Employee Benefits Retirement Plan.

Note C: As a result of the plan amendment the methodology of crediting investment income to the Pension Adjustment Account (PAA) was changed. This change is expected to increase the investment income credited to the PAA and the post-retirement indexing.

The Government does not recognize pension plan surpluses because of its inability to access these funds; therefore, adjustments are made to reduce these surplus amounts to \$nil. These pension surpluses represent the excess of the plan assets funded by employees over the employees' share of the accrued benefit obligation.

Appendix A (cont'd.) Consolidated Statement of Pension Liability

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08									
SCHEDULE 7 (cont'd)									
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF PENSION LIABILITY As at March 31, 2008									
MEMBER DATA	Civil Service Plan	Teachers' Plan	Post-Secondary Education Plans	Public School Division Plans	Healthcare Employees Pension Plan	Other Plans	Total 2008	Total 2007	
Defined benefit pension plan	29,700	20,900	6,300	3,600	46,500	347	107,347	106,248	
Number of active and deferred members	14,600	11,100	1,500	1,300	11,400	311	40,211	38,304	
Total number of plan members	44,300	32,000	7,800	4,900	57,900	658	147,558	144,552	
ACTUARIAL ASSUMPTIONS									
Discount rate on accrued benefits	6.50%	6.25%-8.50%	5.75 - 6.50%	6.0 - 6.5%	6.50%	5.00 & 6.00%			
Expected long-term rate of return	6.50%	6.25%-8.50%	5.75 - 6.50%	6.0 - 6.5%	6.50%	5.00 & 6.00%			
Inflation	2.50%	2.50%	2.00 - 2.50%	2.0 - 3.0%	3.00%	2.00 & 2.75%			
Real rate of return	4.00%	3.75%-4.00%	3.25 - 4.00%	3.5 - 4.0%	3.50%	3.25 & 4.00%			
Rate of salary increase	3.25%	3.00%	4.00 - 4.50%	4.0 - 4.5%	4.50%	3.00 & 3.50%			
Latest valuation	Dec 2004	Jan 2006	(Note D)	(Note D)	Dec 2007	(Note D)			
AMORTIZATION PERIOD (Note E)									
Actuarial gains or losses for	15 years	12.5 years	5 years	4 - 5 years	8 - 10 years	8 - 10 years			
Accrued Benefit Obligation	5 years	5 years							
Plan assets									
Note D:	Latest actuarial valuation report dates are as follows:								
	- University of Manitoba Pension Plans.....								
	- University of Winnipeg Pension Plan.....								
	- Brandon University Retirement Plan.....								
	- Winnipeg School Division Pension Fund for Employees.....								
	- Other Non-Teaching Employees.....								
	- Retirement Plan for Non-Teaching Employees of the.....								
	St. James-Assiniboia School Division.....								
	- Retirement Plan for Employees of Frontier School Division.....								
	- Members of Legislative Assembly Pension Plan.....								
	- Legislative Assembly Pension Plan.....								
	- Judges' Supplemental Pension Plan.....								
	- Winnipeg Child and Family Services.....								
	- Winnipeg Child and Family Services.....								
	Employee Benefits Retirement Plan.....								
Note E:	Actuarial gains and losses for accrued benefit obligation are amortized over expected average remaining service life, while those for plan assets are amortized over a moving average period of four or five years.								
Note F:	The Government has set aside pension assets, totaling \$2,242 at March 31, 2008 (2007 - \$699 million), for the future retirement of its pension liability as disclosed in Note 3A. As at March 31, 2008, these pension assets represent 50% (2007 - 17%) of the pension liability.								

Consolidated Statement of Operations by Sector

Appendix B

SCHEDULE 10

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF OPERATIONS BY SECTOR
For the Year Ended March 31, 2008

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

	Health and Healthy Living		Education		Family Services and Housing		Community, Economic and Resource Development	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Income taxes.....	-	-	-	-	-	-	-	-
Other taxes.....	-	-	646	643	-	-	-	-
Fees and other revenue.....	429	507	496	461	107	97	481	398
Federal transfers.....	823	778	120	110	60	67	227	190
Contributions from entities within the Government Reporting Entity.....	23	22	47	47	-	2	4	-
Sinking funds and other earnings.....	4	5	33	16	15	16	13	34
Total Revenue	1,279	1,312	1,342	1,277	182	182	725	622
EXPENSE								
Personnel services.....	2,339	2,209	2,174	2,018	183	158	367	346
Grants/Transfer payments.....	685	444	164	188	170	168	475	431
Transportation.....	41	32	15	14	4	4	49	46
Communication.....	22	18	19	17	3	3	14	17
Supplies and services.....	682	567	448	398	126	117	278	238
Social assistance related.....	-	-	5	5	711	668	60	56
Other operating.....	383	697	213	196	15	37	309	215
Debt servicing.....	75	77	104	57	51	41	124	116
Minor capital.....	24	8	41	36	10	2	16	15
Amortization.....	118	113	107	107	13	7	120	115
Total Expenses	4,369	4,165	3,290	3,036	1,286	1,205	1,812	1,585
SURPLUS (DEFICIT) FOR THE YEAR	(3,090)	(2,853)	(1,948)	(1,759)	(1,104)	(1,023)	(1,087)	(973)

Appendix B (cont'd.)

Consolidated Statement of Operations by Sector

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

SCHEDULE 10, cont'd

SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF OPERATIONS BY SECTOR For the Year Ended March 31, 2008									
	Justice and Other Expenditures		General Government (Note a)		Adjustments (Note b)		Total		
	2008	2007	2008	2007	2008	2007	2008	2007	2007
	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE									
Income taxes.....	-	-	2,652	2,441	-	-	2,652	2,441	
Other taxes.....	-	-	2,642	2,486	-	-	3,288	3,129	
Fees and other revenue.....	136	133	13	2	(43)	(105)	1,619	1,493	
Federal transfers.....	43	41	2,324	2,134	-	-	3,597	3,320	
Contributions from entities within the Government Reporting Entity.....	-	-	968	647	(96)	(91)	946	627	
Sinking funds and other earnings.....	216	222	32	91	22	(9)	335	375	
Total Revenue	395	396	8,631	7,801	(117)	(205)	12,437	11,385	
EXPENSE									
Personnel services.....	634	581	(78)	(126)	2	(21)	5,621	5,165	
Grants/Transfer payments.....	369	325	(286)	(232)	(150)	(233)	1,427	1,091	
Transportation.....	23	26	(2)	(2)	1	4	131	124	
Communication.....	17	16	(3)	(2)	2	1	74	70	
Supplies and services.....	166	149	(107)	(107)	35	(6)	1,628	1,356	
Social assistance related.....	20	15	-	-	-	-	796	744	
Other operating.....	58	53	(56)	(50)	(2)	42	920	1,190	
Debt servicing.....	469	467	(3)	(11)	(5)	(2)	815	745	
Minor capital.....	4	3	(4)	(1)	-	10	91	73	
Amortization.....	9	8	(9)	(8)	-	-	358	342	
Total Expenses	1,769	1,643	(548)	(539)	(117)	(205)	11,861	10,900	
SURPLUS (DEFICIT) FOR THE YEAR	(1,374)	(1,247)	9,179	8,340	-	-	576	485	

Note a: The general government category includes revenue from sources that cannot be attributed to a particular sector. Expenses in this category represent recoveries between sectors that cannot be attributed to any particular sectors.

Note b: Consolidation adjustments necessary to conform sectors to Government accounting policies and to eliminate transactions between sectors.

Funds, Organizations and Business Enterprises Comprising the Government Reporting Entity

Appendix C

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

SCHEDULE 9

FUNDS, ORGANIZATIONS AND BUSINESS ENTERPRISES COMPRISING THE GOVERNMENT REPORTING ENTITY

HEALTH AND HEALTHY LIVING

Manitoba Health
Addictions Foundation of Manitoba
CancerCare Manitoba
Diagnostic Services of Manitoba Inc.
Manitoba Health Research Council
Manitoba Health Services Insurance Plan
Manitoba Hospital Capital Financing Authority
Regional Health Authorities (including controlled organizations)
 Assiniboine Regional Health Authority Inc.
 Brandon Regional Health Authority Inc.
 Burntwood Regional Health Authority Inc.
 Churchill RHA Inc.
 Interlake Regional Health Authority
 NOR-MAN Regional Health Authority Inc.
 North Eastman Health Association Inc.
 Parkland Regional Health Authority Inc.
 Regional Health Authority - Central Manitoba Inc.
 South Eastman Health/Santé Sud-Est Inc.
 Winnipeg Regional Health Authority
Rehabilitation Centre for Children Inc.

EDUCATION

Manitoba Advanced Education and Literacy
Manitoba Education, Citizenship and Youth
Assiniboine Community College
Brandon University
Collège universitaire de Saint-Boniface
Council on Post-Secondary Education
Red River College
University College of The North
University of Manitoba
University of Winnipeg
Manitoba Text Book Bureau
Public School Divisions
Public Schools Finance Board

FAMILY SERVICES AND HOUSING

Manitoba Family Services and Housing
Child and Family Services of Central Manitoba
Child and Family Services of Western Manitoba
First Nations of Northern Manitoba Child & Family Services Authority
First Nations of Southern Manitoba Child & Family Services Authority

Appendix C (cont'd.)

Funds, Organizations and Business Enterprises
Comprising the Government Reporting Entity

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

SCHEDULE 9
(cont'd)

FAMILY SERVICES AND HOUSING, cont'd

General Child and Family Services Authority
Manitoba Housing and Renewal Corporation
Métis Child and Family Services Authority

COMMUNITY, ECONOMIC AND RESOURCE DEVELOPMENT

Manitoba Aboriginal and Northern Affairs
Manitoba Agriculture, Food and Rural Initiatives
Manitoba Competitiveness, Training and Trade
Manitoba Conservation
Manitoba Infrastructure and Transportation
Manitoba Intergovernmental Affairs
Manitoba Science, Technology, Energy and Mines
Abandonment Reserve Fund
Communities Economic Development Fund
Cooperative Loans and Loans Guarantee Board
Cooperative Promotion Board
Crown Lands and Property Agency
Economic Innovation and Technology Council
Farm Machinery and Equipment Act Fund
Fleet Vehicles Agency
Food Development Centre
Green Manitoba Eco Solutions
Horse Racing Commission
Industrial Technology Centre
Manitoba Agricultural Services Corporation
Manitoba Development Corporation
Manitoba Education, Research and Learning
Information Networks (Merlin)
Manitoba Floodway Authority
Manitoba Habitat Heritage Corporation
Manitoba Opportunities Fund Ltd.
Manitoba Trade and Investment Corporation
Manitoba Trucking Productivity Improvement Fund
Manitoba Water Services Board
Materials Distribution Agency
Mining Community Reserve
Mining Rehabilitation Reserve
Pineland Forest Nursery
Quarry Rehabilitation Reserve
Tire Stewardship Board
Veterinary Science Scholarship Fund

Funds, Organizations and Business Enterprises Comprising the Government Reporting Entity

Appendix C (cont'd.)

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

SCHEDULE 9 (cont'd)

JUSTICE AND OTHER EXPENDITURES

Legislative Assembly
Executive Council
Civil Service Commission
Manitoba Culture, Heritage, Tourism and Sport
Manitoba Finance
Healthy Child Manitoba
Manitoba Justice
Manitoba Labour and Immigration
Manitoba Seniors and Healthy Living Secretariat
Board of Administration under the Embalmers and Funeral Directors Act
Centre culturel franco-manitobain
Civil Legal Services
Companies Office
Crown Corporations Council
Helen Betty Osborne Foundation
Insurance Council of Manitoba
Land Titles Assurance Fund
Legal Aid Manitoba
Manitoba Arts Council
Manitoba Boxing Commission
Manitoba Centennial Centre Corporation
Manitoba Community Services Council Inc.
Manitoba Film and Sound Recording Development Corporation
Manitoba Gaming Control Commission
Manitoba Law Reform Commission
Manitoba Securities Commission
Office of the Fire Commissioner
Organization and Staff Development
Special Operating Agencies Financing Authority
Sport Manitoba Inc.
The Property Registry
The Public Trustee
Travel Manitoba
Venture Manitoba Tours Ltd.
Victims Assistance Fund
Vital Statistics Agency

Appendix C (cont'd.)

Funds, Organizations and Business Enterprises Comprising the Government Reporting Entity

PROVINCE OF MANITOBA
PUBLIC ACCOUNTS 2007/08

GOVERNMENT BUSINESS ENTERPRISES: (Schedule 3) (Note 4)

Utility:

Manitoba Hydro-Electric Board

Insurance:

Manitoba Public Insurance Corporation

Workers Compensation Board

Finance:

Manitoba Liquor Control Commission

Manitoba Lotteries Corporation

Manitoba Product Stewardship Corporation

Resource Development:

Leaf Rapids Town Properties Ltd.

Manitoba Hazardous Waste Management Corporation

SPECIAL ACCOUNTS, not attached to Sector or Department

Pension Assets Fund

Debt Retirement Fund

Fiscal Stabilization Fund

Consolidated Statement of Borrowings

Appendix D

PROVINCE OF MANITOBA PUBLIC ACCOUNTS 2007/08									
SCHEDULE 5									
SUMMARY FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF BORROWINGS As at March 31, 2008									
(\$ millions)									
Fiscal Year of Maturity	Bonds and Debentures Cdn	US	Canada Pension Plan Cdn	Loans and Mortgages Cdn	Promissory Notes and Treasury Bills Cdn	Totals	2008	2007	
2008	-	-	-	-	-	-	-	1,941	
2009	1,909	253	106	-	850	3,118	3,118	2,319	
2010	967	408	115	-	-	1,490	1,490	1,376	
2011	1,106	463	103	-	-	1,672	1,672	1,300	
2012	1,236	-	104	-	-	1,340	1,340	1,340	
2013	208	-	154	-	-	362	362	240	
2008-2013	5,426	1,124	582	-	850	7,982	7,982	8,522	
2014-2018	5,096	862	-	-	-	5,958	5,958	5,527	
2019-2028	2,542	720	15	250	-	3,527	3,527	3,080	
2029-2047	4,066	-	-	-	-	4,066	4,066	2,913	
2008-2016 Government of Canada (Note 10)	-	-	-	248	-	248	248	203	
2008-2028 Government Business Enterprises (Note 13b)	416	-	-	-	-	416	416	431	
2009-2043 Crown Organizations	-	-	-	258	-	258	258	232	
2014-2047	12,120	1,582	15	756	-	14,473	14,473	12,396	
Total borrowings	17,546	2,706	597	756	850	22,455	22,455	20,918	
Reduced by:									
Debt incurred for and repayable by The Manitoba Hydro-Electric Board and Manitoba Lotteries Corporation						(7,322)	(7,322)	(6,837)	
Unamortized debt issue costs						(1)	(1)	(4)	
Unamortized Foreign Currency Fluctuation						(67)	(67)	(73)	
Province of Manitoba debt issues held as investments in sinking funds and cash and cash equivalents						(1,628)	(1,628)	(1,626)	
						13,437	13,437	12,378	

Borrowings payable in:	March 31/08 Cdn \$ Valuation (See Notes)	March 31/07 Cdn \$ Valuation (See Notes)
Canadian dollars	16,565	14,632
Foreign issues hedged to Canadian dollars	3,164	3,452
U.S. dollars	2,162	2,194
Foreign issues hedged to U.S. dollars	544	610
Total borrowings	22,455	20,918

Note a: The hedges are derivative contracts which include swaps and forward foreign exchange contracts.
Note b: The Canadian dollar valuation is calculated using the foreign currency exchange rates in effect at each March 31 adjusted for any forward foreign exchange contracts entered into for settlement after year-end.
Note c: Interest rates on these borrowings fall into one of three categories:
i) Fixed with rates ranging from 3.25% to 11.33%
ii) Floating Canadian - Bankers Acceptance (BA) setting, established quarterly or monthly, with the lowest rate currently set at 4.10% and the highest set at 7.64% as at March 31, 2008.
iii) Floating U.S. - U.S. Dollar London Interbank Offering Rate (LIBOR) setting, established quarterly, with the lowest rate currently set at 5.29% and the highest set at 5.49% as at March 31, 2008.

Appendix E Schedule of Consolidated Operating Results and Financial Position

Website Version

GOVERNMENT BUSINESS ENTERPRISES						SCHEDULE 3	
SCHEDULE OF CONSOLIDATED OPERATING RESULTS AND FINANCIAL POSITION						TOTAL	
For the Year Ended March 31, 2008						2008	
(\$ millions)						TOTAL	
						2007	
CHANGES IN EQUITY							
Results from Operations							
Revenues from operations	2,250	1,317	1,318	1	4,886	4,611	
Expenses: From operations	1,464	1,232	791	1	3,468	3,465	
Debt servicing	440	-	12	-	452	519	
Total expenses	1,904	1,232	803	1	3,940	3,984	
Net income	346	85	515	-	946	627	
Transfers to the Government	-	-	(516)	-	(516)	(490)	
Other Comprehensive Income	346	85	(1)	-	430	137	
Adjustments to Opening Equity	374	(16)	-	-	358	56	
Adoption of Financial Instruments accounting standards, Note 9	720	69	(1)	-	788	193	
Net increase in equity in government business enterprises	-	(23)	-	-	(23)	-	
	720	46	(1)	-	765	153	
FINANCIAL POSITION							
Assets:							
Cash and temporary investments	133	134	40	-	307	102	
Accounts receivable	475	292	40	1	808	756	
Portfolio investments - Due from Government organizations	109	727	45	-	881	785	
Due from others	591	2,349	-	-	2,940	2,817	
Capital assets	8,612	44	196	-	8,852	8,320	
Pension assets	781	-	-	-	781	800	
Other assets	766	142	46	-	954	831	
Total assets	11,467	3,698	367	1	15,523	14,411	
Liabilities:							
Accounts payable, accrued liabilities and deferred revenue	1,056	623	125	-	1,804	2,009	
Long-term debt: Owing to the Government organizations	7,141	-	161	1	7,323	6,838	
Owing to others	429	-	-	-	429	588	
Provision for future benefits: Pension obligations	714	156	52	-	922	849	
Future cost of existing claims	-	2,344	3	-	2,347	2,194	
Total liabilities	9,340	3,123	361	1	12,825	12,478	
Equity in government business enterprises	2,127	565	6	-	2,698	1,933	

For government business enterprises whose fiscal year end is prior to March 31, the amounts reflected are as at their fiscal year end.

Website Version

