



**Province of Newfoundland**

**Public Accounts**

**Volume I**

**Consolidated Summary  
Financial Statements**

**For The Year Ended  
31 March 1999**

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GOVERNMENT OF  
NEWFOUNDLAND AND LABRADOR

Department of Finance  
Office of the Minister

December, 1999

The Honourable A.M. House, C.M., M.D., FRCPC  
Lieutenant-Governor of Newfoundland and Labrador

Sir,

I have the honour to present the Public Accounts of the Province of Newfoundland for the financial year ended 31 March 1999.

Respectfully submitted,  
Your Honour's obedient servant,

PAUL DICKS, Q.C.  
Minister of Finance

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GOVERNMENT OF  
NEWFOUNDLAND AND LABRADOR

Treasury Board  
Office of the Minister

December, 1999

The Honourable Paul Dicks, Q.C.  
Minister of Finance

Dear Colleague:

I am pleased to provide to you the Public Accounts of the Province of Newfoundland for the financial year ended 31 March 1999 for tabling in the House of Assembly pursuant to the requirements of the *Financial Administration Act*.

Yours sincerely,

Anna Thistle, MHA  
President of Treasury Board

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## INTRODUCTION

The consolidated summary financial statements of the Province of Newfoundland are presented through the publication of the Public Accounts, Volume I. These statements are examined by the Auditor General, who presents an annual report to the House of Assembly on the results of her examination.

For the year ended 31 March 1999, the financial statements of the Province have been prepared on a consolidated summary basis. These statements are also prepared on the modified accrual basis of accounting. Comparisons have not been made to the Estimates, due to the fact that budget figures on a modified accrual consolidated basis were not readily determinable. The reporting entity, the method of consolidation and the significant accounting policies followed by the Province are further explained in the notes to the financial statements.

The audited financial statements of the Consolidated Revenue Fund are presented in the Public Accounts, Volume II. The Public Accounts, Volume III provides supplementary statements and schedules of the Consolidated Revenue Fund for information purposes. The available financial statements of the Crown Corporations, Boards and Authorities are reproduced in the Public Accounts, Volume IV (A – L) and Volume IV (M – Z).

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GOVERNMENT OF  
NEWFOUNDLAND AND LABRADOR

TREASURY BOARD SECRETARIAT

OFFICE OF THE COMPTROLLER GENERAL

CONFEDERATION BUILDING  
ST. JOHN'S

23 November 1999

**STATEMENT OF RESPONSIBILITY**

These consolidated summary financial statements of the Province are prepared in accordance with the applicable legislation based upon information provided by the various Government departments and the noted Crown corporations, boards and authorities. Where necessary, the information included in these consolidated summary financial statements is based upon best estimates and judgement, taking into account materiality of the amounts. The consolidated summary financial statements in this volume include a Consolidated Statement of Financial Position, a Consolidated Statement of Revenue and Expenditure, a Consolidated Statement of Net Debt, a Consolidated Statement of Changes in Financial Position and notes. Other schedules and notes that are included also form an integral part of these statements. Together they present fairly, in all material respects, the financial position of the Province as at 31 March 1999 and the results of operations for the year then ended.

RONALD A. WILLIAMS, C.A.  
Acting Comptroller General

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**OFFICE OF THE AUDITOR GENERAL**

St. John's, Newfoundland

**AUDITOR'S REPORT**

To the House of Assembly  
Province of Newfoundland

I have audited the consolidated summary statement of financial position of the Province of Newfoundland as at 31 March 1999 and the consolidated summary statements of revenue and expenditure, net debt and changes in financial position for the year then ended. These financial statements are the responsibility of Government. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Government, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated summary financial statements present fairly, in all material respects, the financial position of the Province of Newfoundland as at 31 March 1999 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies disclosed in Note 1 to the consolidated summary financial statements applied on a basis consistent with that of the preceding year.

ELIZABETH MARSHALL, C.A.  
Auditor General

St. John's, Newfoundland  
23 November 1999

## PROVINCE OF NEWFOUNDLAND

### Consolidated Statement of Financial Position As at 31 March 1999 with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
<b>ASSETS</b>		
Cash and temporary investments . . . . .	566,899	480,134
Sch. 1    Receivables . . . . .	233,904	230,763
Inventories held for resale . . . . .	21,255	24,651
Prepaid and deferred charges . . . . .	253,752	227,440
Sch. 2    Loans, advances and investments . . . . .	442,325	401,294
Sch. 3    Equity in government enterprises (Note 1(b)) . . . . .	723,923	664,339
Unamortized unrealized foreign exchange losses . . . . .	249,966	177,687
Total Assets . . . . .	<u>2,492,024</u>	<u>2,206,308</u>
<b>NET DEBT</b>		
Net Debt . . . . .	<u>7,618,814</u>	<u>7,301,046</u>
Total Assets and Net Debt . . . . .	<u>10,110,838</u>	<u>9,507,354</u>
<b>LIABILITIES</b>		
Sch. 6    Payables, accrued and other liabilities . . . . .	1,039,693	960,393
Deferred revenue (Note 6) . . . . .	141,985	251,931
Sch. 5    Borrowings . . . . .	5,556,962	5,051,195
Allowance for guaranteed debt (Note 7) . . . . .	14,394	6,749
Unfunded pension liability (Note 2) . . . . .	2,888,488	3,134,249
Unamortized experience gains (Note 2) . . . . .	469,316	102,837
Total Liabilities . . . . .	<u>10,110,838</u>	<u>9,507,354</u>
Sch. 7    Contingent Liabilities (Note 3)		
Commitments (Note 4)		
Sch. 8    Trust Accounts (Note 5)		
Sch. 12    Tangible Capital Assets		

The accompanying notes and supporting schedules form an integral part of the financial statements.

**PROVINCE OF NEWFOUNDLAND**  
**Consolidated Statement of Revenue and Expenditure**  
**For the year ended 31 March 1999**  
**with comparative figures for 1998**

		1999	1998
		(\$000)	(\$000)
REVENUE			
Sch. 9	Government of Canada . . . . .	1,860,122	2,019,439
Sch. 9	Taxation . . . . .	1,361,220	1,348,763
Sch. 9	Investment . . . . .	307,245	281,528
Sch. 9	Fees and Fines . . . . .	123,812	122,439
Sch. 9	Other . . . . .	132,250	227,822
Sch. 9	Total Revenue . . . . .	<u>3,784,649</u>	<u>3,999,991</u>
EXPENDITURE			
Sch. 10	General Government Sector . . . . .	1,330,059	1,236,976
Sch. 10	Resource Sector . . . . .	156,731	294,801
Sch. 10	Social Sector . . . . .	2,617,985	2,464,681
Sch. 11	Total Expenditure . . . . .	<u>4,104,775</u>	<u>3,996,458</u>
Sch. 4	Net Income of Government Enterprises . . . . .	<u>156,785</u>	<u>129,059</u>
	Net Revenue over Expenditure (Expenditure over Revenue) . . . . .	<u>(163,341)</u>	<u>132,592</u>

See accompanying notes to the financial statements.

## PROVINCE OF NEWFOUNDLAND

### Consolidated Statement of Net Debt For the year ended 31 March 1999 with comparative figures for 1998

	1999 (\$000)	1998 (\$000)
Net Debt - as previously reported .....	7,301,046	7,255,311
Add (Deduct):		
Prior years' adjustments:		
Pension plan changes (note 11(a)) .....	154,400	-
Change in accounting treatment (note 11(b)) .....	27	( 37,016)
Allowance for debt repayment .....	-	107,870
School boards, opening deficit .....	-	108,429
Investments .....	-	( 956)
Adjusted Net Debt - beginning of year .....	7,455,473	7,433,638
Net Revenue over Expenditure (Expenditure over Revenue) .....	( 163,341)	132,592
Net Debt - end of year .....	7,618,814	7,301,046

See accompanying notes to the financial statements.



## PROVINCE OF NEWFOUNDLAND

### Consolidated Statement of Changes in Financial Position For the year ended 31 March 1999 with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
Funds provided from (applied to):		
Operations		
Net revenue over expenditure (expenditure over revenue) . . . . .	( 163,341)	132,592
Add (deduct) non-cash items:		
Amortization of foreign exchange losses (gains) . . . . .	64,473	( 7,712)
Pension costs . . . . .	162,320	215,373
Valuation allowances . . . . .	41,735	23,668
Unremitted net income of government enterprises . . . . .	( 59,585)	( 26,959)
Sinking fund earnings . . . . .	( 76,354)	( 73,751)
Other . . . . .	44,602	( 2,964)
	13,850	260,247
Financing		
Debt issued . . . . .	837,627	359,666
Debt retirement . . . . .	( 422,853)	( 532,534)
Special purpose funds/Contractors' holdback funds . . . . .	1,191	( 2,860)
Deferred revenue . . . . .	( 111,019)	( 122,886)
Treasury bills purchased . . . . .	1,703,557	1,604,708
Treasury bills redeemed . . . . .	( 1,715,616)	( 1,648,582)
Sinking fund contributions . . . . .	( 2,026)	( 41,986)
Retirement of pension liabilities . . . . .	( 196,000)	( 30,000)
	94,861	( 414,474)
Investing		
Loan repayments . . . . .	98,463	76,033
Loan advances . . . . .	( 91,093)	( 28,019)
Other . . . . .	( 29,595)	-
	( 22,225)	48,014
Net cash provided (applied) . . . . .	86,486	( 106,213)
Cash and temporary investments, beginning of year . . . . .	479,976	586,189
Cash and temporary investments, end of year . . . . .	566,462	479,976

See accompanying notes to the financial statements.

#### NOTE

Temporary investments are net of accrued interest of \$0.4 million (1998 - \$0.2 million).

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# PROVINCE OF NEWFOUNDLAND

## Notes to the Consolidated Financial Statements For the year ended 31 March 1999

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### 1. Summary of Significant Accounting Policies

#### (a) The Reporting Entity

The Reporting Entity includes the accounts and financial activities of organizations, as approved by Treasury Board, which are accountable for the administration of their financial affairs and resources either to a Minister of the Government or directly to the Legislature and which are owned or controlled by Government.

A listing of organizations included in these financial statements is provided in Schedule 13.

#### (b) Method of Consolidation

The accounts of government organizations, except those designated as government enterprises, are consolidated after adjusting them to a basis consistent with the accounting policies described below. Inter-organization transactions and balances are eliminated.

A government enterprise is an organization, included in the reporting entity, that has the financial and operating authority to carry on a business and sells goods and services to individuals and non-government organizations as its principal activity and source of revenue.

Government enterprises are recorded on the modified equity method. Under this method, the Government's equity in these enterprises is adjusted annually to reflect the net income/loss and other net equity changes of the enterprise without adjusting the enterprise's financial statements to conform with the accounting policies described below. Inter-organization transactions and balances are not eliminated.

Adjustments are not made to the financial results of government organizations with fiscal year-ends different than that used for the consolidated entity, unless it would have a significant impact on the consolidated operating results.

#### (c) Basis of Accounting

##### (i) Method

These financial statements are prepared on the modified accrual basis of accounting, revenues being recorded when earned and expenditures being recorded when the liabilities are incurred, with exceptions made in accordance with the applicable significant accounting policies.

##### (ii) Presentation

The Province presents its financial statements using the "net direct debt" approach. This approach shows the Province's net direct debt, rather than the accumulated amount of assets and liabilities. The Province's net direct debt consists of total direct debts less the value of convertible assets such as accounts receivable, loans, advances and investments. Assets which are not considered convertible are not valued. The Province uses the expenditure basis of accounting for these financial statements.

##### (iii) Revenues

All revenues, except as noted below, are reported in the fiscal year in which the transactions or events to which they relate occur.

Revenues from the Government of Canada tax equalization, personal and corporate taxes are based on regular entitlements for the current year and known adjustments to entitlements for previous years, as regular entitlements are subject to future revisions. Those future revisions would be reported in those future years they become known and would adjust revenue in those years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(iv) *Expenditures*

All expenditures, except as noted below, are reported in the fiscal year the goods and services are acquired and a liability incurred, or transfer payments are due.

Discounts, commissions and other expenses related to borrowings are recorded as expenditures in the year they are paid. Premiums are recorded as current year's revenue.

(v) *Assets*

The Province records a valuation allowance when it is ascertained that the value of the applicable asset has declined or collection is doubtful and the decline is determined to be long term in nature.

Inventories of supplies are recorded at cost but are not considered to be convertible and are expensed in the year acquired. Inventories held for resale are considered to be convertible and are recorded at the lower of cost or net realizable value.

Capital asset acquisitions are expensed in the year they are acquired. The assets are not considered to be convertible and therefore are not capitalized. Schedule 12 lists major capital assets held by the Province.

(vi) *Liabilities*

Borrowings, except Treasury Bills, are recorded at face value and are reported net of sinking funds. Treasury Bills are recorded at net proceeds.

The Province records foreign borrowings in Canadian dollars translated at the exchange rate on the transaction date which is considered to be the issue date, except for the proceeds of hedged transactions which are recorded at the rate as established by the terms of that hedge. Sinking fund assets are also recorded in Canadian dollars and transactions are translated at the exchange rate used in recording the related borrowing. At 31 March, foreign borrowings are adjusted to reflect the exchange rate in effect on that date. The unrealized foreign exchange gain or loss is amortized over the remaining term of the related borrowing.

For any receivables or payables that would normally result in an accrual to revenue or expenditure, any portion which is considered to be long-term is deferred, with the exception of Government of Canada related items.

Amounts received but not earned by the end of the fiscal year are recorded as deferred revenue.

**2. Unfunded Pension Liability****Defined Benefits**

The Government of Newfoundland and Labrador guarantees defined benefit pension plans for substantially all of its full time employees, and those of its Agencies, Boards and Commissions and for members of its Legislature. The plans are - the Public Service Pension Plan, Teachers' Pension Plan, Uniformed Services Pension Plan and the Members of the House of Assembly Pension Plan.

The Plans provide for pensions based on employees' length of service and highest average earnings. Employees contribute a defined percentage of their salary, and the employer generally matches this amount. The plans do not provide for inflation protection. As at 31 March 1999, the plans provided benefits to 14,011 pensioners.

In 1980, the Province of Newfoundland Pooled Pension Fund was established by the Pensions Funding Act, with the Minister of Finance as Trustee. This Fund administers all financial activity of these four plans, including the collection of all contributions and the payment of pensions and the investment of funds. The Province guarantees any deficiency in the event assets of a plan are insufficient to meet benefit payments or administration costs.

The following outlines the contribution and benefit formulae for each of the plans:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**Contribution and Benefit Formulae****Public Service Pension Plan**

Employee contributions are 7.1% of pensionable salary, less a formulated amount representing contributions to the Canada Pension Plan (CPP). A pension benefit is available based on the number of years of pensionable service times 2% of the employee's best five years average salary, reduced by a formulated amount representing CPP earnings for each year since 1967.

**Teachers' Pension Plan**

Employee contributions are 8.5% of pensionable salary. A pension benefit is available based on the number of years of pensionable service prior to 1 January 1991 times 1/45th of the employee's best five years average salary, plus 2% of the employee's best five years average salary times years of pensionable service after that date, reduced by a formulated amount representing CPP earnings for each year since 1967.

**Uniformed Services Pension Plan**

Employee contributions are 8.5% of pensionable salary, less a formulated amount representing contributions to the CPP. Grandfathered members contribute an additional 3.5% of salary. A pension benefit is available based on the number of years pensionable service times 2% of the employee's best three years average salary, reduced by a formulated amount representing CPP earnings since 1967. Grandfathered members have higher service accrual pensions in recognition of their higher contributions.

**Members of the House of Assembly Pension Plan**

Member contributions are 8% of pensionable salary, which includes salary as a Minister, if applicable. A pension benefit is available after serving as a Member in, at least, two General Assemblies and for, at least, five years. The benefit formula is based on years of service expressed as a percentage of the average pensionable salary for the best three years. The percentage varies being 5% for each of the first ten years, 4% for each of the next five years and 2.5% for each of the next two years of service as a Member. For members elected for the first time after 1 April 1998, the percentage is 5% for the first ten years and 2.5% for each of the next ten years. The accrued benefit is reduced by a formulated amount representing CPP earnings for each year since 1967. Ministers receive an additional pension amount calculated similarly, based on service and pensionable salary as a Minister.

**Actuarial Valuations**

The actuarial valuations were based on a number of assumptions about future events, such as interest rates, wage and salary increases, inflation rates and rates of employee turnover, disability and mortality. The assumptions used reflect the Province's best estimates of expected long-term rates and short-term forecasts. The expected interest and inflation rates follow:

**Expected interest rates**

The expected average interest rate for the Public Service Pension Plan is 8.0% until 2004 and 7.5% thereafter. The expected rate for the Teachers' Pension Plan is 8.0% until 2006 and 7.5% thereafter. The expected rate for the Uniformed Services Pension Plan is 8.5% for the first four years after the valuation date, 8% for the next five years, and 7.5% thereafter. The expected rate for the Members of the House of Assembly Pension Plan is 7.5% projected on a long term basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**Expected inflation rates**

The expected inflation rate for the Public Service Pension Plan is 2.5% for the first five years, 3% for the next five years and 3.5% thereafter. The expected rate for the Teachers' Pension Plan is 2.0% for the first four years and 3.5% thereafter. The expected rate for the Uniformed Services Pension Plan is 2.5% for the first four years after the valuation date, 3% for the next five years and 3.5% thereafter. The expected rate for the Members of the House of Assembly Pension Plan is 3.5% projected on a long term basis.

The latest actuarial valuations for the Province's pension plans are dated as listed in the following table:

<u>Plan</u>	<u>Valuation Date</u>
Public Service Pension Plan	31 December 1997
Teachers' Pension Plan	31 August 1997
Uniformed Services Pension Plan	1 January 1997
Members of the House of Assembly Pension Plan	31 December 1996

**Pension Liability**

Details of the pension liability are outlined in the table below. The estimated accrued benefits and the value of the plan assets reported below have been extrapolated to 31 March 1999. For the Teachers' Pension Plan, any unfunded liability arising in the plan after 31 August 1990 will be shared equally between the employer and the employee.

<u>Plan</u>	<u>Estimated Accrued Benefit Obligations</u>	<u>Fund Assets</u>	<u>Net Unfunded Liability 1999</u>	<u>Net Unfunded Liability 1998</u>	<u>Change</u>
	(\$mil)	(\$mil)	(\$mil)	(\$mil)	(\$mil)
Public Service Pension Plan	2,300.8	1,258.2	1,042.6	1,306.1	(263.5)
Teachers' Pension Plan	2,204.0	596.9	1,607.1	1,764.1	(157.0)
Uniformed Services Pension Plan	191.9	-	191.9	184.1	7.8
MHA Pension Plan	46.9	-	46.9	45.5	1.4
<b>Total</b>	<b>\$4,743.6</b>	<b>\$1,855.1</b>	<b>\$2,888.5</b>	<b>\$3,299.8</b>	<b>(\$411.3)</b>

Pension Fund Assets are valued at market.

The Net Unfunded Liability for 1998 has been restated from \$3,134.3 million - an increase of \$165.5 million. This change consists of:

- (i) a \$220.4 million increase due to the incorporation of the Teachers' Ancillary Pension Plan into the main Teachers' Pension Plan and a \$66.4 million decrease due to the introduction of a CPP offset for the Teachers' Pension Plan;
- (ii) a \$6.7 million increase due to experience losses as a result of a new valuation for the Uniformed Services Pension Plan; and
- (iii) a \$4.8 million increase due to experience losses as a result of a new valuation and the introduction of a CPP offset for the MHA Pension Plan.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**Pension Expense**

In these statements, pension costs have been determined as the cost of benefits accrued during the period. Interest on the unfunded liability has been accrued for the same period.

The change in the unfunded liability for the current period for each plan is comprised of the following amounts:

Plan	Province's Share of Pension Benefits Earned for the Period	Pension Interest Expense on the Unfunded Liability	Province's Current Period Pension Contributions	Unfunded Portion of Current Period Pension Change
	(\$mil)	(\$mil)	(\$mil)	(\$mil)
Public Service Pension Plan	23.5	86.8	( 70.5)	39.8
Teachers' Pension Plan	14.7	125.8	( 197.2)	(56.7)
Uniformed Services Pension Plan	1.6	14.5	( 8.4)	7.7
MHA Pension Plan	0.8	3.3	( 2.8)	1.3
<b>Total</b>	<b>\$40.6</b>	<b>\$230.4</b>	<b>(\$278.9)</b>	<b>(\$7.9)</b>

Pension interest expense is included with interest as debt expenses in the financial statement.

**Experience Gains or Losses**

Experience gains or losses are amortized over the estimated average remaining service life of active contributors. The amortization amount is included with pension costs in the financial statements. The following table summarizes the experience gains or losses for each plan:

Plan	Unamortized Experience Gains (Losses) 31 March 1998	New Experience Gains (Losses)	Current Period Amortization of Experience Changes	Unamortized Experience Gains (Losses) 31 March 1999
	(\$mil)	(\$mil)	(\$mil)	(\$mil)
Public Service Pension Plan	125.8	303.2	( 22.6)	406.4
Teachers' Pension Plan	( 23.0)	100.3	( 4.1)	73.2
Uniformed Services Pension Plan	( 6.0)	-	0.4	(5.6)
MHA Pension Plan	( 5.1)	-	0.4	(4.7)
<b>Total</b>	<b>\$91.7</b>	<b>\$403.5</b>	<b>(\$25.9)</b>	<b>\$469.3</b>

Unamortized Experience Gains (Losses) at 31 March 1998 has been restated from \$102.8 million - a decrease of \$11.1 million. This change consists of:

- (i) a \$6 million decrease due to experience losses as a result of a new valuation for the Uniformed Services Pension Plan; and
- (ii) a \$5.1 million decrease due to experience losses as a result of a new valuation and the introduction of a CPP offset for the MHA Pension Plan.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**Other Pension Plans****Government Money Purchase Pension Plan**

The Government Money Purchase Pension Plan was established for employees whose employment status does not qualify them for participation in another of their employer's pension plans. This plan has approximately 17,000 participants. Employees contribute 5% of their salary to the Plan and the Province generally matches this contribution. Each employee will receive an annuity at retirement, the value of which is determined by their accumulated contributions plus investment earnings. This Plan is administered by the Canada Trust Financial Service and at 31 March 1999 assets had a market value of \$89.1 million.

**Teachers' Ancillary Pension Plan**

The Teachers' Pension Act was amended, effective 1 September 1998, to discontinue the Teachers' Ancillary Pension Plan and incorporate it into the main Teachers' Pension Plan.

**3. Contingent Liabilities****(a) Guarantees**

Guarantees made by the Province as at 31 March 1999 amounted to \$1.2 billion as compared to \$1.3 billion as at 31 March 1998. In addition, the Province guaranteed the interest thereon. See Schedule 7.

**(b) Legal Actions**

(i) In November, 1991, a contract was awarded for the construction of three health care centres in the Province. A company has commenced a legal action against the Province alleging that it should have received part of the contract.

(ii) There have been a number of statements of claim alleging negligence on the part of Government employees and agencies in not preventing abuse while these claimants were under Government's care.

(iii) Government is suing Canadian National Railway with regard to the financing of the Newfoundland Dockyard. Canadian National Railway has counterclaimed.

(iv) A number of claims have been filed against the Province related to lost business, profits, general damages and personal claims pursuant to actions initiated by the Province.

(v) A notice of intended class action has been made from claimants who claim to have been infected through the national blood system. The Province is involved in a proposed national settlement which is awaiting final approval by courts in other provinces.

(vi) A Statement of Claim has been served on the Province in its role as the regulator of mortgagor brokers and investment companies.

(vii) There has been a claim served against the Fisheries Loan Board in respect of loss of business and for damages. The matter is currently before the courts.

**(c) Other****(i) PUT Agreement**

In 1993 the Province amended an agreement (the "PUT" Agreement) with a consortium of banks which are involved in financing an extensive Environmental Capital Expenditure Program for the paper mill in Corner Brook. The mill is owned by Corner Brook Pulp and Paper Limited (the Company). This agreement provides that in the event of default on loan payments by the Company, the Province or its nominee will purchase from the banks, if required, the power generating station which is owned by the Company and is located at Deer Lake. The price to be paid shall be the amount by which the lesser of the loan outstanding on the date on which the Divestiture Period commences and \$50 million exceeds the Environmental Compliance Deficiency, if any.

In any event, the Province's obligation under this agreement will cease on the earlier of 31 December 2001 and the date on which the loan is repaid in full.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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(ii) *Registrar of the Supreme Court*

The Province of Newfoundland guarantees all sums required to discharge the balances of the Registrar of the Supreme Court as administrator, guardian, trustee, etc. (Judicature Act).

(iii) *Pensions*

Pursuant to Section 9 of the Pension Funding Act, the Province is liable for any deficiency in the Province of Newfoundland Pooled Pension Fund covered by that Act. See Note 2.

Pursuant to Section 6 of the Memorial University Pensions Act, the Province is liable for payment of any deficiency in the Memorial University of Newfoundland Pension Fund covered by that Act. As at 31 March 1999, no liability existed.

(iv) *Trust Accounts*

The Province is contingently liable for any shortage of funds that may occur for any funds held in trust by the Province. Currently, all obligations held have an offsetting asset.

(v) *Canadian Salfish Corporation*

On 17 July 1970, the Province entered into an agreement with the Government of Canada for the marketing of salfish products by the Canadian Salfish Corporation (the Corporation), pursuant to the Salfish Act. The Agreement provided that the Province is required to pay to the Government of Canada its proportional share of 50 per cent of the losses to Canada. This share is based on the loss to Canada based on the total value of annual sales of cured fish products applicable to each participating province.

On 19 February 1993 the Government of Canada requested that the Province compensate it for losses incurred to 31 March 1992. The amount which the Government of Canada calculated as the Province's share of the losses is \$21.6 million.

This matter is currently under discussion between the Government of Canada and the Province. However, the Province takes the position that for a number of reasons, including the fact that the Corporation engaged in activities beyond its mandate as determined by the Auditor General of Canada and confirmed by the Department of Justice of Canada, that the Province is not liable for the amount claimed.

(vi) *Newfoundland Student Loans Program*

Under the loan guarantee component of this Program, the Province has issued guarantees totaling \$2.4 million. Under the loan remission component of the Program, the Province is contingently liable for possible remissions totaling \$5.8 million.

**4. Commitments**

Commitments to outside organizations in respect of contracts entered into before 31 March 1999 amount to \$237.1 million, of which \$24.5 million is for lease payments, \$142.5 million for capital projects, \$52.5 million for government's service agreement with xwave Solutions Limited that will expire on 31 March 2002 and other agreements of \$17.6 million.

These commitments will become liabilities when the terms of the contract are met. Payments in respect of these contracts and agreements for the Consolidated Revenue Fund are subject to the voting of supply by the Legislature.

**5. Trust Accounts**

Trust Accounts as at 31 March 1999 totaled \$48.2 million (\$45.8 million - 31 March 1998). See Schedule 8.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**6. Deferred Revenue**

Included in deferred revenue is \$93.8 million which represents funds received for Harmonized Sales Tax transitional assistance. This amount will be recognized over the periods earned.

**7. Allowance for Guaranteed Debt**

An amount of \$14.4 million has been recorded as a provision for possible losses on guaranteed debt in accordance with an assessment of existing contingent debt as shown on Schedule 7.

**8. Newfoundland Ocean Enterprises Limited**

The assets of Newfoundland Ocean Enterprises Limited were sold for nominal considerations to Friede Goldman Newfoundland Limited as of 1 January 1998, under terms and conditions consistent with a Memorandum of Understanding signed on 24 September 1997. The purchaser acquired all the shipbuilding and fabrication facilities at Marystown and Cow Head and entered into arrangements to complete outstanding contracts. The purchaser agreed to assume certain liabilities of Newfoundland Ocean Enterprises Limited.

The Province has assumed the bank indebtedness of Newfoundland Ocean Enterprises Limited, currently at \$70.9 million, which was not assumed by the purchaser.

**9. Newfoundland Farm Products Corporation**

On 4 October 1997, Newfoundland Farm Products Corporation ("NFPC") concluded arrangements for the sale of its St. John's plant. The purchaser has acquired, for nominal consideration, certain fixed assets of NFPC, including a leasehold interest in land and buildings located in St. John's containing an abattoir and processing facilities, and has also purchased certain inventory of NFPC at the lower of cost or market value. The purchaser has also assumed certain liabilities related to leased assets. The Province has assumed the balance of NFPC's guaranteed operating credit of \$10.2 million, which was not assumed by the purchaser.

NFPC's Corner Brook plant, which has not operated since May 1997, was not included in the sale of assets.

**10. Year 2000 Issue**

The Year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. Date sensitive systems may recognize the year 2000 as some other date resulting in errors when information using year 2000 dates is processed. The impact on operations and financial reporting may not be possible to determine with certainty. However, critical systems have been reviewed and action has been taken based on this review. Government's core financial system has been replaced.

**11. Prior Years' Adjustments****(a) Pension Plan Changes**

The prior years' adjustment for pension plan changes consists of a \$220.4 million increase due to the incorporation of the Teachers' Ancillary Pension Plan into the main Teacher's Pension Plan and a \$66.4 million decrease due to the introduction of a CPP offset for the Teachers' Pension Plan. The balance of \$0.4 million relates to experience changes for the Members of the House of Assembly Pension Plan and the Uniformed Services Pension Plan.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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**(b) Change in Accounting Treatment**

The accounting treatment for Marble Mountain Management Corporation has been changed from the modified equity to the consolidation method as this entity no longer meets the definition of a business enterprise. This change resulted in an adjustment to equity in the Consolidated Statement of Net Debt as a result of modifying the accounting policies of this entity to conform with those of the Province. It also resulted in a change to beginning equity on Schedule 3 to remove equity (deficiency) previously included for this entity.

**12. Comparatives**

Certain of the 1998 financial statement figures have been restated to be consistent with the 1999 presentation.

Certain figures have also been restated to reflect:

(i) differences between the 1998 and 1997 financial statement balances of those entities for which 1997 balances were used in the prior year due to the fact that 1998 financial statements were not received in time for inclusion, and

(ii) restatement of comparative figures in the 1999 financial statements of certain entities.

These restatements have the effect of decreasing net revenue over expenditure by \$9.7 million and increasing net debt by \$11 million for the year ended 31 March 1998.

**13. Estimates**

Comparisons have not been made to the Estimates due to the fact that budget figures on a modified accrual consolidated basis were not readily determinable.

*Schedule 1***PROVINCE OF NEWFOUNDLAND****Receivables****As at 31 March 1999****with comparative figures for 1998**

	1999	1998
	(\$000)	(\$000)
Accounts receivable . . . . .	170,572	150,382
Taxes receivable . . . . .	121,062	130,411
Due from Government of Canada . . . . .	26,805	27,967
	<u>318,439</u>	<u>308,760</u>
Less: Provision for doubtful accounts . . . . .	84,535	77,997
	<u>233,904</u>	<u>230,763</u>

## PROVINCE OF NEWFOUNDLAND

### Loans, Advances and Investments

As at 31 March 1999

with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
<b>Loans and Advances</b>		
Municipalities .....	336,128	343,941
Commercial .....	86,242	85,498
Housing .....	70,345	71,166
Fishing .....	27,154	32,539
Other .....	20,316	14,835
Farming .....	8,871	9,527
	549,056	557,506
Less: Provision for doubtful loans and advances .....	92,954	94,601
Less: Provision for debt repayment .....	79,953	107,870
	376,149	355,035
<b>Investments</b>		
Water rights held in Labrador (Note) .....	30,000	30,000
Government of Canada Coupon investments .....	23,628	8,663
Equity investments .....	18,333	17,368
Term Deposit Receipts .....	10,000	-
Newfoundland Bonding & Composites Limited .....	4,500	-
Terra Nova Shoes Limited .....	1,335	1,515
ACF Equity Atlantic Inc. ....	956	956
Cliff Resources Corporation .....	640	640
Atlantic Ocean Farms Limited .....	290	290
Other investments .....	256	911
	89,938	60,343
Less: Provision for write-down of investments .....	23,762	14,084
	66,176	46,259
	442,325	401,294

### NOTE

Pursuant to an agreement dated 24 November 1978, the Lower Churchill Development Corporation Limited (LCDC) has the option of purchasing NIDC's water rights to the Lower Churchill River in consideration for the issuance of 3,000 Class B common shares without nominal or par value. This option was to expire 24 November 1996 but has been extended to 24 November 2000. LCDC was incorporated under The Companies Act (Newfoundland) and is owned 51% by Newfoundland and Labrador Hydro and 49% by the Government of Canada. LCDC was established with the objective of developing all or part of the hydro-electric potential of the Lower Churchill Basin.

**PROVINCE OF NEWFOUNDLAND****Equity in Government Enterprises****As at 31 March 1999****with comparative figures for 1998**

	Nfld. Liquor Corporation 31 Mar 1999	Nfld. and Labrador Hydro 31 Dec 1998	Total 1999	Total 1998
	(\$000)	(\$000)	(\$000)	(\$000)
Equity (Deficiency) - as previously reported . . . . .			664,339	582,588
Equity adjustment (Note 11(b)) . . . . .			(1)	54,792
Equity (Deficiency) - beginning of year . . . . .	25,538	638,800	664,338	637,380
Net income (loss) for year . . . . .	87,185	69,600	156,785	129,059
Capital transactions				
Transfers to government . . . . .	(80,400)	(16,800)	(97,200)	(102,100)
Equity (Deficiency) - end of year . . . . .	<u>32,323</u>	<u>691,600</u>	<u>723,923</u>	<u>664,339</u>
Equity (Deficiency) represented by:				
Assets:				
Cash and temporary investments . . . . .	16,405	9,100	25,505	22,873
Receivables . . . . .	6,177	90,900	97,077	71,837
Inventories . . . . .	19,877	39,600	59,477	65,393
Prepaid and deferred charges . . . . .	453	253,700	254,153	238,255
Investments . . . . .	-	21,700	21,700	25,800
Capital assets . . . . .	<u>3,462</u>	<u>1,990,100</u>	<u>1,993,562</u>	<u>2,011,945</u>
Total Assets . . . . .	<u>46,374</u>	<u>2,405,100</u>	<u>2,451,474</u>	<u>2,436,103</u>
Liabilities:				
Accounts payable and accruals . . . . .	13,551	81,900	95,451	84,945
Other deferred liabilities . . . . .	-	7,000	7,000	6,019
Borrowings . . . . .	<u>500</u>	<u>1,494,900</u>	<u>1,495,400</u>	<u>1,552,400</u>
Total Liabilities . . . . .	<u>14,051</u>	<u>1,583,800</u>	<u>1,597,851</u>	<u>1,643,364</u>
Minority interest . . . . .	-	129,700	129,700	128,400
Equity(Deficiency) . . . . .	<u>32,323</u>	<u>691,600</u>	<u>723,923</u>	<u>664,339</u>

## PROVINCE OF NEWFOUNDLAND

### Net Income of Government Enterprises As at 31 March 1999 with comparative figures for 1998

	Nfld. Liquor Corporation 31 Mar 1999 (\$000)	Nfld. and Labrador Hydro 31 Dec 1998 (\$000)	Total 1999 (\$000)	Total 1998 (\$000)
Revenue:				
Revenue from operations . . . . .	142,778	404,800	547,578	526,720
Expenses:				
Expenses from operations . . . . .	55,593	315,900	371,493	381,037
Transfers to government . . . . .	-	11,400	11,400	11,165
Total Expenses	55,593	327,300	382,893	392,202
Minority interest . . . . .	-	7,900	7,900	5,500
Net income (loss) from operations . . . . .	87,185	69,600	156,785	129,018
Transfers from government . . . . .	-	-	-	41
Net income (loss) . . . . .	87,185	69,600	156,785	129,059

Schedule 5

## PROVINCE OF NEWFOUNDLAND

### Borrowings As at 31 March 1999 with comparative figures for 1998

	1999				1998
	Total Borrowings (Cdn.\$) (\$000)	Sinking Fund Balance (Cdn. \$) (\$000)	Net Borrowings (Cdn.\$) (\$000)	Interest Rate Range (%)	Net Borrowings (Cdn.\$) (\$000)
<b>Consolidated Revenue Fund</b>					
Treasury bill borrowings . . . . .	373,347	-	373,347	4.89-5.07	351,774
General debentures . . . . .	4,760,581	666,700	4,093,881	3.25-14.75	3,600,575
Government of Canada . . . . .	639,076	353,963	285,113	5.97-13.66	309,200
Other . . . . .	216,554	-	216,554	prime-7.60	175,365
	<u>5,989,558</u>	<u>1,020,663</u>	<u>4,968,895</u>		<u>4,436,914</u>
<b>Newfoundland Municipal Financing Corporation</b>					
General debentures . . . . .	449,742	76,940	372,802	5.12-13.00	365,239
<b>Newfoundland and Labrador Housing Corporation</b>					
Demand loans . . . . .	38,413	-	38,413	prime	55,509
General debentures . . . . .	32,082	-	32,082	7.95-8.33	32,439
Other . . . . .	59,600	-	59,600	5.54-7.75	46,521
	<u>130,095</u>	<u>-</u>	<u>130,095</u>		<u>134,469</u>
<b>Other Debt</b>					
Miscellaneous . . . . .	85,170	-	85,170	4.12-11.00	114,573
	<u>6,654,565</u>	<u>1,097,603</u>	<u>5,556,962</u>		<u>5,051,195</u>

(a) Foreign borrowings are represented by the following:

Foreign Borrowings (000)	Foreign Currency	Exchange Rate	Foreign Borrowings (Cdn.\$) (\$000)
1,173,500	U.S. Dollars	1.5087001	1,770,460
450,000	Swiss Francs	1.0170000	457,650
7,000,000	Japanese Yen	0.0127263	89,084
			<u>2,317,194</u>

(b) Principal repayment requirements are as follows:

	(\$000)
1999-2000	590,007
2000-2001	195,412
2001-2002	368,765
2002-2003	264,465
2003-2004	554,297
2004-2009	1,532,845
2009-2014	482,580
2014-2019	379,857
2019-2030	2,286,337
	<u>6,654,565</u>

## PROVINCE OF NEWFOUNDLAND

### Payables, Accrued and Other Liabilities

As at 31 March 1999

with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
Accrued salaries and employee benefits . . . . .	327,484	333,803
Accrued interest payable . . . . .	210,493	201,031
Accounts payable . . . . .	203,575	154,533
Due to municipalities . . . . .	203,094	169,999
Long-term leases . . . . .	60,886	63,757
Other . . . . .	34,161	25,191
Due to Government of Canada . . . . .	-	12,079
	1,039,693	960,393



*Schedule 7***PROVINCE OF NEWFOUNDLAND****Contingent Liabilities****As at 31 March 1999****with comparative figures for 1998**

	1999	1998
	(\$000)	(\$000)
Guaranteed Debentures		
Newfoundland and Labrador Hydro . . . . .	1,100,000	1,135,010
Municipalities . . . . .	1,747	2,220
Newfoundland Liquor Corporation . . . . .	500	700
	<u>1,102,247</u>	<u>1,137,930</u>
Guaranteed Bank Loans		
Fisheries . . . . .	20,214	19,720
Other corporations . . . . .	17,974	11,089
Mortgages . . . . .	7,491	7,562
Municipalities . . . . .	2,129	12,427
	<u>47,808</u>	<u>50,798</u>
Other Guarantees		
Other . . . . .	42,788	70,169
	<u>1,192,843</u>	<u>1,258,897</u>

## PROVINCE OF NEWFOUNDLAND

### Trust Accounts As at 31 March 1999 with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
Registrar of the Supreme Court . . . . .	19,790	20,175
Newfoundland Government Fund . . . . .	12,750	7,250
Teachers' Accrued Salary Trust Account . . . . .	4,647	5,020
Commercial and Corporate Affairs Trust . . . . .	4,276	4,276
Patients' Funds Held in Trust . . . . .	2,586	2,457
Federal/Provincial Contractors' Security Account . . . . .	1,300	1,853
Consolidated Tender Account . . . . .	1,014	771
Home for the Aged and Infirm . . . . .	780	782
Other Trust Accounts . . . . .	658	942
Provincial Courts . . . . .	437	644
Contractors' Holdback Account . . . . .	-	1,603
	48,238	45,773

#### NOTE

The Workplace Health Safety and Compensation Commission (the Commission) is considered to be a form of trust. For the most recent fiscal year ended 31 December 1998, the Commission reported a deficit of \$19 million (1997 - surplus of \$8 million) and an unfunded liability of \$111.1 million (1997 - \$91.7 million). The Commission's Financial Statements are reproduced in Volume IV of the Public Accounts.

*Schedule 9***PROVINCE OF NEWFOUNDLAND****Revenue****For the year ended 31 March 1999  
with comparative figures for 1998**

	1999	1998
	(\$000)	(\$000)
Government of Canada		
Equalization . . . . .	1,179,027	1,007,351
Canada health and social transfer . . . . .	281,249	279,339
Cost-shared programs . . . . .	211,328	197,407
Other . . . . .	188,518	187,771
Labrador ferry service transfer . . . . .	-	347,571
	<u>1,860,122</u>	<u>2,019,439</u>
Taxation		
Personal income tax . . . . .	545,057	543,464
Sales tax . . . . .	437,676	433,427
Other . . . . .	172,846	173,386
Gasoline tax . . . . .	122,513	120,417
Corporate income tax . . . . .	83,128	78,069
	<u>1,361,220</u>	<u>1,348,763</u>
Investment		
Other . . . . .	134,144	118,309
Sinking fund earnings . . . . .	86,581	85,455
Interest . . . . .	86,520	77,764
	<u>307,245</u>	<u>281,528</u>
Fees and Fines		
Fees . . . . .	115,644	116,572
Fines . . . . .	8,168	5,867
	<u>123,812</u>	<u>122,439</u>
Other . . . . .	132,250	227,822
	<u>3,784,649</u>	<u>3,999,991</u>

## PROVINCE OF NEWFOUNDLAND

### Expenditure by Department For the year ended 31 March 1999 with comparative figures for 1998

	1999	1998
	(\$000)	(\$000)
<b>General Government Sector</b>		
Consolidated Fund Services .....	877,260	817,014
Executive Council .....	24,226	23,246
Finance .....	121,210	106,670
Government Services and Lands .....	25,056	23,467
Legislature .....	11,616	10,963
Public Service Commission .....	1,637	1,188
Works, Services and Transportation .....	269,054	254,428
	<u>1,330,059</u>	<u>1,236,976</u>
<b>Resource Sector</b>		
Development and Rural Renewal .....	31,459	38,112
Environment and Labour .....	10,280	10,652
Fisheries and Aquaculture .....	12,968	15,328
Forest Resources and Agrifoods .....	44,505	77,062
Industry, Trade and Technology .....	19,841	108,639
Mines and Energy .....	8,629	8,366
Tourism, Culture and Recreation .....	29,049	36,642
	<u>156,731</u>	<u>294,801</u>
<b>Social Sector</b>		
Education .....	761,010	708,276
Health and Community Services .....	1,260,697	1,033,717
Human Resources and Employment .....	293,414	380,046
Justice .....	116,566	109,498
Municipal and Provincial Affairs .....	186,298	233,144
	<u>2,617,985</u>	<u>2,464,681</u>
	<u>4,104,775</u>	<u>3,996,458</u>

*Schedule 11***PROVINCE OF NEWFOUNDLAND**

**Expenditure by Object**  
**For the year ended 31 March 1999**  
**with comparative figures for 1998**

	1999	1998
	(\$000)	(\$000)
Salaries and employee benefits . . . . .	1,336,294	1,211,472
Debt expenses . . . . .	1,007,997	865,011
Grants and subsidies . . . . .	791,570	1,018,543
Operating costs . . . . .	560,863	562,282
Professional services . . . . .	190,435	199,399
Capital property acquisitions . . . . .	147,936	85,701
Valuation allowances . . . . .	41,735	23,668
Information technology . . . . .	27,945	30,382
	<u>4,104,775</u>	<u>3,996,458</u>

## PROVINCE OF NEWFOUNDLAND

### Tangible Capital Assets As at 31 March 1999

Category	Estimated Useful Life (years)	Estimated Original Cost			Accumulated Amortization			Net Book Value 31 March 1999 (\$mil)
		Balance 31 March 1998 (\$mil)	Additions Net of Disposals (\$mil)	Balance 31 March 1999 (\$mil)	Balance 31 March 1998 (\$mil)	Amort. Net of Disposals 1999 (\$mil)	Balance 31 March 1999 (\$mil)	
Buildings	40	1,452.4	17.0	1,469.4	297.3	16.9	314.2	1,155.2
Marine vessels & aircraft	15-50	80.7	2.5	83.2	21.8	2.4	24.2	59.0
Equipment & machinery	6-20	417.7	35.6	453.3	237.8	23.8	261.6	191.7
Infrastructure	1-40	2,416.3	( 11.2)	2,405.1	2,361.5	( 4.1)	2,357.4	47.7
Computer software	7	28.8	3.5	32.3	21.5	2.9	24.4	7.9
<b>Total</b>		<b>4,395.9</b>	<b>47.4</b>	<b>4,443.3</b>	<b>2,939.9</b>	<b>41.9</b>	<b>2,981.8</b>	<b>1,461.5</b>

See accompanying notes.

## NOTES TO THE SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at 31 March 1999

**1. Capital Assets**

Capital assets are reported as expenditures in the year the assets are acquired. This schedule is provided to inform users of the capital assets on hand and available for use by the Province. Capital assets having an estimated individual historic cost in excess of \$100 thousand are included. The historic cost of the assets is estimated in most cases, and amortization is calculated on a straight line basis over the following useful lives.

<u>Asset</u>	<u>Estimated Useful Life</u>
Buildings	40 years
Marine vessels & aircraft	
Marine vessels	30 years
Aircraft	15 - 50 years
Equipment & machinery	
Earth moving equipment	6 - 20 years
Snow removal equipment	12 and 15 years
Other equipment	15 and 20 years
Infrastructure	
Roads and bridges	1 year
Airstrips	20 years
Ferry terminals	40 years
Marine facilities	40 years
Marine cranes	20 years
Oil storage facilities	40 years
Computer software	7 years

**2. Valuations**

Government is in the process of accumulating information on all its tangible capital assets. As each class is completed, cost and amortization information will be presented in this schedule. Cost information on acquired land will not be included because of the impracticality of compiling the necessary data.

**3. Historical or Cultural Assets**

Certain assets which have historical or cultural value belonging to the Province are not included in this schedule. Such assets consist of buildings such as Government House, Commissariat House and the Colonial Building and works of art, with an estimated cost of approximately \$3.7 million.

**4. Cost Shared**

Capital expenditures for airstrips and certain expenditures for road construction have been cost shared by the Federal Government. Expenditures shown in this schedule are recorded at the gross value and have not been reduced by these revenues.

**5. In Progress**

Government has a number of projects under construction or development which are not included in this schedule.

## PROVINCE OF NEWFOUNDLAND

### Government Reporting Entity For the year ended 31 March 1999

#### GOVERNMENT ORGANIZATIONS

Advisory Council on the Economy  
 Avalon East School Board  
 Avalon Health Care Institutions Board  
 Avalon West School District  
 Baie Verte, Central, Connaigre School District  
 Board of Commissioners of Public Utilities  
 Bull Arm Site Corporation  
 Burin Peninsula School Board  
 C.A. Pippy Park Commission  
 Central East Health Care Institutions Board  
 Central Regional Health and Community Services Board  
 Central West Health Board, Inc.  
 College of the North Atlantic  
 Consolidated Revenue Fund  
 Corner Brook - Deer Lake - St. Barbe School District  
 Credit Union Deposit Guarantee Corporation  
 Eastern Health and Community Services Board  
 Enterprise Newfoundland and Labrador Corporation  
 Farm Development Loan Board of Newfoundland  
 Fisheries Loan Board of Newfoundland  
 Grenfell Regional Health Services Board  
 Health and Community Services - St. John's Region  
 Health Care Corporation of St. John's  
 \* Health Labrador Corporation  
 Heritage Foundation of Newfoundland and Labrador  
 Hotel Buildings Limited  
 Labrador School Board  
 Labrador Transportation Initiative Fund  
 Lewisporte/Gander School District  
 Livestock Owners Compensation Board  
 Marble Mountain Development Corporation  
 C Marble Mountain Management Corporation  
 Multi-Materials Stewardship Board  
 Newco IV Corporation  
 Newfoundland and Labrador Arts Council  
 Newfoundland and Labrador Education Investment Corporation  
 Newfoundland and Labrador Film Development Corporation  
 Newfoundland and Labrador Housing Corporation  
 Newfoundland Crop Insurance Agency



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 GOVERNMENT REPORTING ENTITY (continued)
 

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GOVERNMENT ORGANIZATIONS

	Newfoundland Farm Products Corporation
	Newfoundland Hardwoods Limited
	Newfoundland Industrial Development Corporation
	Newfoundland Legal Aid Commission
	Newfoundland Medical Care Commission
	Newfoundland Municipal Financing Corporation
	Newfoundland Ocean Enterprises Limited
	Northern Peninsula/ Labrador South School Board
	Peninsulas Health Care Corporation
	Provincial Advisory Council on the Status on Women
	Provincial Genetics Program
	Provincial Information and Library Resources Board
	Provincial Perinatal Program
	Public Accountants Licensing Board
	Public Health Laboratory
N	Special Celebrations Corporation of Newfoundland and Labrador Inc.
N, *	St. John's Nursing Home Board
	Stephenville - Port aux Basques School District
	The Enterprise Network, Inc.
	The John Cabot (1997) 500th Anniversary Corporation
	The Newfoundland Cancer Treatment and Research Foundation
	Vista School District
	Western Health Care Corporation
N	Western Regional Health and Community Services Board

GOVERNMENT ENTERPRISES

Newfoundland and Labrador Hydro  
 Newfoundland Liquor Corporation

LEGEND

*	Financial statements for the year ended 31 March 1999 for these entities were not received in time for inclusion. Prior years' balances for these entities are included in the Consolidated Statement of Financial Position.
N	These entities are new to the reporting entity for 1998-99.
C	This entity was included in the reporting entity in prior years as a government enterprise.