

Newfoundland and Labrador Government Sinking Fund

Annual Report

**For the Period
April 1, 2022 to March 31, 2023**

Newfoundland and Labrador Government Sinking Fund

TREASURY MANAGEMENT DIVISION
DEPARTMENT OF FINANCE
CONFEDERATION BUILDING
P.O. BOX 8700
ST. JOHN'S, NL A1B 4J6

Honourable Siobhan Coady
Deputy Premier
Minister of Finance
Government of Newfoundland and Labrador
Confederation Building
St. John's, NL
A1B 4J6

Dear Minister Coady:

As the Chair of the Board of Trustees responsible for the Newfoundland and Labrador Government Sinking Fund (NLGSF), I am pleased to submit the 2022-23 Annual Report. The Board is a category 3 government entity, and in accordance with the **Transparency and Accountability Act** is required to prepare an annual activity report to present information on its activities of the preceding year. As such, the Board of Trustees is accountable for the preparation of this report and for the results reported therein.

The mandate of the Board of Trustees for the NLGSF is to administer the sinking funds established by the Government of Newfoundland and Labrador for the repayment of the Province's debenture debt. During the 2022-23 fiscal year, the NLGSF earned a net income of approximately \$60.6 million. This represents a 4.48 per cent return on the Sinking Fund Equity.

Sincerely,



Michelle Jewer, CPA, CA
Chair of the Board

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Overview

The Newfoundland and Labrador Government Sinking Fund (NLGSF) was created pursuant to the **Financial Administration Act** (the Act) to consolidate sinking funds established for the repayment of the Province's debenture debt. The Province has established sinking funds for some of its long-term debenture issues and the annual contributions to these sinking funds are invested by the Board of Trustees. NLGSF operates with a March 31 fiscal year end and the results of its activities are fully consolidated in the Provincial Government's annual financial statements.

Mandate

The mandate of the Board of Trustees is to manage and control the operational activities of the NLGSF and the sinking funds of certain crown corporations where the Province has guaranteed the related debt (i.e. Newfoundland and Labrador Municipal Financing Corporation and the Eastern Regional Integrated Health Authority). These activities include establishing investment policy, investment of funds and the monitoring of such. These funds are invested in accordance with the Act, primarily in equities, bonds, debentures or other securities issued or guaranteed by the Government of Canada, the government of a province of Canada, the government of a municipality of Canada, a corporation, or a chartered bank, with the goal of earning the maximum return from investment of the portfolio while ensuring security of the funds.

Board Representation and Accountability

The Board of Trustees are appointed by the Lieutenant Governor in Council to manage and control the day-to-day operation of the sinking funds. As of March

31, 2023, the Board of Trustees consisted of the incumbents in four senior public service positions within the Department of Finance:

Ms. Michelle Jewer	Deputy Minister
Mr. David Drover	Assistant Deputy Minister Treasury Management and Budgeting
Mr. Thomas Nemec	Director, Treasury Management
Mr. Calen Harrison	Manager, Treasury Management

Sources of Funding

For debenture issues, which have sinking fund requirements, the Province makes the required sinking fund contributions to the operating bank account managed by the Board of Trustees. In 2022-23, these sinking fund payments amounted to \$39,468,000. Sinking fund contributions are invested and the earnings, less an amount to cover administrative costs, are re-invested.

The NLGSF's day-to-day activities are managed by employees of the Department of Finance and NLGSF is invoiced quarterly by the Province for reimbursement of these expenses on a cost-recovery basis.

Operational Information

The NLGSF earned a net income of approximately \$60.6 million during 2022-23. Special purpose financial statements for the year ending March 31, 2023, are included in this report.

The 2020-23 Activity Plan, as well as previous annual reports, are available online at www.fin.gov.nl.ca.

Contact information is as follows:

Mailing Address

Newfoundland and Labrador
Government Sinking Fund
c/o Department of Finance
Confederation Building
East Block, Main Floor
P. O. Box 8700
St. John's, NL A1B 4J6

Office Location

Treasury Management Division
Department of Finance
Confederation Building
East Block, Main Floor
Telephone: (709)-729-3931
Fax: (709) 729-6790

Report on Performance

In accordance with the Board's mandate, the following objective was identified for the 2022-23 fiscal year, which focuses on the primary activities of establishing investment policy; and the investment and monitoring of funds.

Objective

By March 31, 2023, Board of Trustees will have continued with the prudent investment of the assets of the fund.

Indicator

The assets of the fund prudently invested in accordance with the **Financial Administration Act**, as evidenced by the completion of periodic reviews of reports to the Board.

Results for 2022-23

The Board completed its review of an annual report which, in addition to financial results, highlighted the investing activity of the NLGSF. This review ensured that

the assets of the Fund were prudently invested in accordance with the Act and with the Board's mandate. The Board also implemented a new investment policy approved by Treasury Board which allows for diversification of the investment portfolio. The transition to the new asset allocation specified in the investment policy is ongoing.

Opportunities and Challenges

The unpredictable nature of the investment market will continue to challenge the Board of Trustees to ensure that its investment strategy maximizes the rate of return earned on its investment portfolio, while at the same time protecting the security of the sinking funds. An inflationary economic recovery prompted hikes in policy rates that have improved fixed income yields, enhancing the income potential of the investment portfolio. In addition, the NLGSF holds U.S. dollar denominated cash and investments that will be used to retire U.S. dollar denominated debt of the province. These assets are also subject to foreign exchange gains and losses upon settlement.

Financial Statements

Please see the attached financial statements for the year ended March 31, 2023. The financial statements of the NLGSF are the responsibility of management and have been prepared in accordance with the summary of significant accounting policies set out in note 1 to the financial statements to meet the information needs of the Fund and the Government of Newfoundland and Labrador under Section 39 of the Act and under the various debentures which require the establishment of sinking funds.

The Office of the Auditor General of Newfoundland and Labrador performed an audit on the financial statements in accordance with Canadian generally accepted auditing standards. The Auditor's Report attached to the financial statements outlines the scope of the examination and contains the Auditor General's opinion on the NLGSF's financial statements.

**NEWFOUNDLAND AND LABRADOR
GOVERNMENT SINKING FUND**

FINANCIAL STATEMENTS

MARCH 31, 2023



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Newfoundland and Labrador Government Sinking Fund
St. John's, Newfoundland and Labrador

Opinion

I have audited the financial statements of the Newfoundland and Labrador Government Sinking Fund (the Fund), which comprise the balance sheet as at March 31, 2023, the statements of statutory contributions and retained earnings, revenues and expenses, remeasurement gains and losses, and cash flows, schedule of investments and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2023 and the results of its operations and its cash flows for the year ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting and Restriction on Use

Without modifying my opinion, I draw attention to Note 1 to the financial statements which describes the basis of accounting. These financial statements are prepared solely for the information of the Fund and the Government of Newfoundland and Labrador to meet their information needs under Section 39 of the Financial Administration Act and under the various debentures which require the establishment of sinking funds. As a result, the financial statements may not be suitable for another purpose. My report is intended solely for the use of the Fund and the Government of Newfoundland and Labrador and should not be used by anyone other than the specified users.

Independent Auditor's Report (cont.)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies described in Note 1 to meet the information needs of the Fund and the Government of Newfoundland and Labrador under section 39 of the Financial Administration Act and under the various debentures which require the establishment of sinking funds, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Independent Auditor's Report (cont.)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (cont.)

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



DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General

September 28, 2023
St. John's, Newfoundland and Labrador

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND

BALANCE SHEET


As at March 31

	2023	2022
	(000's)	(000's)
ASSETS		
Current		
Cash	\$ 227,419	\$ 147,274
Term deposits and short-term investments	60,899	99,968
Interest and other receivables		
Province of Newfoundland and Labrador - guaranteed	7,363	8,921
Other	4,495	2,368
	<u>300,176</u>	<u>258,531</u>
Investments (Schedule)		
Cost	863,358	964,189
Accumulated amortization of discounts and premiums	145,865	128,608
	<u>1,009,223</u>	<u>1,092,797</u>
Equity investments (Note 5)	45,190	-
	<u>1,054,413</u>	<u>1,092,797</u>
	<u>\$ 1,354,589</u>	<u>\$ 1,351,328</u>
LIABILITIES AND SINKING FUND EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 47	\$ 8
Due to Province of Newfoundland and Labrador	43	31
	<u>90</u>	<u>39</u>
Sinking fund equity		
Statutory contributions and retained earnings	1,354,499	1,351,289
Total Liabilities and Sinking Fund Equity	<u>\$ 1,354,589</u>	<u>\$ 1,351,328</u>

See accompanying notes

Signed on behalf of the Board:


Chairperson and Trustee


Trustee

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
STATEMENT OF STATUTORY CONTRIBUTIONS AND RETAINED EARNINGS
For the Year Ended March 31

	2023	2022
	(000's)	(000's) (Note 6)
Balance, beginning of year	\$1,351,289	\$1,366,560
Statutory contributions	39,468	40,562
Net income for the year	60,565	44,312
Foreign currency translation adjustment (Note 3)	-	(684)
Foreign exchange adjustment upon implementation of new accounting policies	327	-
	1,451,649	1,450,750
Statutory contributions applicable to matured/redeemed debentures	(40,599)	(37,488)
Retained earnings applicable to matured/redeemed debentures	(62,707)	(61,973)
Asset remeasurement gains	6,156	-
Balance, end of year	\$1,354,499	\$1,351,289

See accompanying notes

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
STATEMENT OF REVENUES AND EXPENSES
For the Year Ended March 31

	2023	2022
	(000's)	(000's)
REVENUES		
Interest income		
Debentures	\$ 29,403	\$ 35,793
Term deposits and short-term investments	2,884	301
Bank interest	8,613	824
Dividend income	106	-
Gain on sale of securities	448	2,962
	41,454	39,880
Amortization of foreign currency translation losses (Note 3)	-	(1,319)
Realized foreign currency translation gain/losses	12,767	-
Amortization of discounts and premiums	6,584	5,973
	60,805	44,534
EXPENSES		
Salaries and benefits	133	129
General	107	93
	240	222
Net income	\$ 60,565	\$ 44,312

See accompanying notes

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended March 31

2023

(000's)

Accumulated remeasurement gain, beginning of year	\$ -
Unrealized gains attributed to:	
Foreign exchange	18,541
Portfolio investments	382
Amounts reclassified to the statement of revenues and expenses	
Foreign exchange	(12,767)
Portfolio investments	-
Accumulated remeasurement gains, end of year	6,156
Accumulated remeasurement gains are comprised of:	
Foreign exchange	5,774
Portfolio investments	382
	\$ 6,156

See accompanying notes

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2023	2022
	(000's)	(000's) (Note 6)
Cash flows from operating activities		
Net income	\$ 60,565	\$ 44,312
Adjustment for non-cash items		
Amortization of discounts and premiums	(6,584)	(5,973)
Gain on sale of securities	(448)	(2,962)
Amortization of foreign currency translation losses (Note 3)	-	1,319
	53,533	36,696
Change in non-cash working capital	(518)	2,936
	53,015	39,632
Cash flows from financing activities		
Statutory contributions	39,468	40,562
Cash flows (used in) from investing activities		
Purchase of investments	(404,623)	(291,231)
Purchase of equities	(44,808)	-
Proceeds from redemption of investments	216,043	79,960
Proceeds from sale of investments	288,534	338,838
Payments of excess to Province upon maturing debentures	(104,810)	(99,461)
	(49,664)	28,106
Net increase in cash	42,819	108,300
Effect of foreign currency translation adjustment (Note 3)	(1,743)	(811)
Cash and cash equivalents, beginning of year	247,242	139,753
Cash and cash equivalents, end of year	\$ 288,318	\$ 247,242
Cash and cash equivalents include:		
Cash	\$ 227,419	\$ 147,274
Term deposits and short-term investments	60,899	99,968
	\$ 288,318	\$ 247,242

See accompanying notes

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
SCHEDULE OF INVESTMENTS
As at March 31

2023

2022

	Face Value or Par (000's)	Amortized Cost or Fair Value (000's)	Face Value or Par (000's)	Amortized Cost (000's)
Canadian				
Province of Newfoundland and Labrador				
- guaranteed				
Province of Newfoundland and Labrador	\$ 263,059	\$ 286,012	\$ 366,059	\$ 392,130
Newfoundland and Labrador Hydro	35,248	38,340	35,248	38,694
Health Care Corporation (Eastern Health)	17,500	23,184	17,500	23,400
Coupons and residuals	270,761	217,346	271,626	211,757
	586,568	564,882	690,433	665,981
Municipal bonds	5,000	5,554	-	-
Corporate bonds	36,500	36,402	-	-
Other coupons and residuals	222,805	174,006	223,064	168,835
Other securities	142,812	149,646	132,812	140,085
	407,117	365,608	355,876	308,920
Canadian Equities (Note 5)	44,808	45,190	-	-
	1,038,493	975,680	1,046,309	974,901
U.S.				
Province of Newfoundland and Labrador				
- guaranteed				
Other securities	30,663	30,819	53,956	54,612
Coupons	45,505	46,006	55,763	57,160
	1,956	1,908	6,287	6,124
	78,124	78,733	116,006	117,896
Total investments	\$ 1,116,617	\$ 1,054,413	\$ 1,162,315	\$ 1,092,797

See accompanying notes

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

Authority

The Province of Newfoundland and Labrador issues debentures, most of which have sinking fund requirements. For debentures which have sinking fund requirements, the Province makes the required sinking fund payments (statutory contributions) to the Board of Trustees of the Newfoundland and Labrador Government Sinking Fund (the Fund). This is an unincorporated body formed under the Financial Administration Act. All members of the Board are full-time employees of the Province and are appointed by the Lieutenant-Governor in Council.

The Fund is not subject to Provincial or Federal income taxes.

1. Basis of accounting

These special purpose financial statements have been prepared by the Fund in accordance with the summary of significant accounting policies set out below to meet the information needs of the Fund and the Government of Newfoundland and Labrador under Section 39 of the Financial Administration Act and under the various debentures which require the establishment of sinking funds.

Summary of significant accounting policies

These financial statements have been prepared on the accrual basis of accounting. Outlined below are the significant policies followed.

(a) Cash and cash equivalents

Cash and cash equivalents include balances with banks, and term deposits and short-term investments with original maturities of three months or less.

Term deposits and short-term investments are recorded at cost which approximates market value because of the short term nature of the securities.

(b) Fixed Income Investment transactions

- (i) Purchases:** Investments are initially recorded at cost.
- (ii) Amortization:** Discounts and premiums are amortized using the effective interest method.
- (iii) Sales:** Sales of investments are at a negotiated selling price. Sales are recorded at the proceeds less the investment's average amortized cost, with any resulting gain or loss also recorded.
- (iv) Redemptions:** On occasion, investments held in the Fund will be called for redemption by the issuer. In such instances, a gain is recorded equal to the redemption proceeds less the investment's average amortized cost.

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

1. Basis of accounting (cont.)

Summary of significant accounting policies (cont.)

(c) Equity Investment Transactions

Equity Investments are initially recorded at cost and are subsequently measured at fair value on the balance sheet date. Unrealized gains or losses are recorded on the statement of remeasurement gains and losses. When investments are disposed of, the realized gains or losses are presented on the statement of revenues and expenses and the cumulative amount of remeasurement gains and losses is presented in the statement of remeasurement gains and losses.

(d) Maturity of a Province of Newfoundland and Labrador debenture issue for which a sinking fund has been provided:

(i) General

A sinking fund is created pursuant to the provisions of a debenture issue in order to provide funds to be used for redemption at debenture maturity. Statutory sinking fund contributions are invested in interest bearing securities and other investments. Both the contributions and the interest are used to pay debenture holders when debentures mature.

A record is maintained of statutory contributions received on account of each issue and of income allocated to each issue (retained earnings). The accumulated amount of an issue's statutory contributions and allocated income is called its Sinking Fund Value.

At the maturity of a debenture issue, accumulated statutory contributions are reduced by the total amount of statutory contributions received over the life of the debenture issue. Retained earnings are reduced by the excess of the Sinking Fund Value over statutory contributions received related to the debenture issue.

(ii) Cash flow

At maturity, cash is paid into a redemption bank account in an amount equal to the lesser of the total face value of the issue or the Sinking Fund Value of the issue, less the face value of the particular debenture issue being redeemed held in the Fund's investments. If the Sinking Fund Value of the issue is less than the total face value, the difference is paid into the redemption bank account by the Province.

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

1. Basis of accounting (cont.)

Summary of significant accounting policies (cont.)

(e) Province of Newfoundland and Labrador debentures held by the Fund are cancelled upon the related sinking fund becoming fully funded. This occurs when the value of a sinking fund for a debenture issue equates to the outstanding principal amount of that issue. The Fund will return to the Province, for cancellation, any debentures of that issue held by the Fund. The cancellation of sinking fund assets results in a corresponding reduction in sinking fund equity.

(f) Interest income

Interest income is recorded on an accrual basis.

(g) Foreign currency translation

Assets, liabilities, revenues and expenses denominated in U.S. currency are translated as follows:

- (i) assets and liabilities are translated at the rate of exchange in effect at the balance sheet date; and
- (ii) revenues and expenses are translated at the rate of exchange in effect on the dates on which such items are recognized in income during the year, or an average of such.

Unrealized gains and losses resulting from foreign currency translation are recorded in the statement of remeasurement gains and losses. Upon maturity, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses to the statement of revenues and expenses.

2. Change in accounting policy

(a) Effective April 1, 2022, the Fund changed the accounting policy for recording the amortization of fixed income discounts and premiums from the straight line method to the effective interest method. The accounting change resulted in a decrease in amortization of \$1,532,000. This change was applied prospectively and did not require any restatement of prior period amounts.

NEWFOUNDLAND AND LABRADOR GOVERNMENT SINKING FUND
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

2. Change in accounting policy (cont.)

- (b) Effective April 1, 2022, the Fund changed the accounting policy relating to foreign currency translation. Gains and losses resulting from foreign currency translation are no longer amortized on a straight-line basis. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. In the period of settlement, realized foreign exchange gains and losses are presented in the statement of revenues and expenses, and the cumulative amount of remeasurement gains and losses is presented in the statement of remeasurement gains and losses. This change was applied prospectively and did not require any restatement of prior period amounts.

3. Effect of foreign currency translation

At March 31, 2023, the Fund held \$1,054,413,000 (2022 - \$1,092,797,000) in investments. These investments include \$78,733,000 denominated in U.S. currency (2022 - \$117,897,000).

The Fund assets, liabilities, statutory contributions and retained earnings denominated in U.S. currency are translated at the rate of exchange in effect at the balance sheet date. The Fund's revenues and expenses are translated at the rate of exchange in effect on the dates on which such items are recognized in income during the year, or an average of such.

In 2023, the translation of assets denominated in U.S. currency at year end resulted in a net foreign exchange gain due to an increase in the value of the U.S. dollar (2022 – net foreign exchange loss due to a decrease in the value of the U.S. dollar).

4. Financial instruments

The Fund's short-term financial instruments recognized on the balance sheet consist of cash, term deposits and short-term investments, interest and other receivables, accounts payable and accrued liabilities, and due to Province of Newfoundland and Labrador. The carrying values of these instruments approximate current fair value due to their nature and the short-term maturity associated with them.

5. Equity Investments

Equity investments made during the year had a cost of \$44,808,000. Fair market value at March 31, 2023 was \$45,190,000.

6. Comparative figures

Certain comparative figures have been reclassified to conform to the current period presentation.