



Government of Bermuda

Financial Statements
of the
Consolidated Fund

March 31, 2007

Issued by

The Accountant General
Ministry of Finance

TABLE OF CONTENTS

Auditor's Report.....	1
Statement of Responsibility.....	2
Statement of Financial Position.....	3
Statement of Operations and Accumulated Deficit.....	4
Statement of Changes in Financial Position.....	5
Notes to the Financial Statements.....	6
Schedule 1: Accounts Receivable.....	25
Schedule 2: Prepaid Supplies.....	26
Schedule 3: Due From / To Government Funds & Agencies.....	27
Schedule 4: Due From Bermuda Housing Corporation.....	28
Schedule 5: Long-Term Receivables.....	28
Schedule 6: Accounts Payable and Accrued Liabilities.....	29
Schedule 7: Deferred Revenue.....	29
Schedule 8: Debt – Net of Sinking Fund.....	30
Schedule 9: Revenue By Type.....	31
Schedule 10: Current Expenditure By Type.....	32
Schedule 11: Revenue By Ministry / Department.....	33
Schedule 11(a): Interdepartmental Revenue By Ministry/Department	35
Schedule 12: Current Expenditure By Ministry/ Department.....	37
Schedule 12(a): Interdepartmental Expenditure By Ministry/Department	39
Schedule 13: Schedule of Tangible Capital Assets.....	41
Schedule 14: Capital Development Expenditure By Ministry / Department.	42
Schedule 15: Capital Acquisition Expenditure By Ministry / Department...	43
Schedule 16: Current Expenditure - Estimates Compared to Actual.....	45
Schedule 17: Commitments – Legislated.....	47
Schedule 18: Public Debt – Legislated Limit.....	48

**Government of Bermuda
Consolidated Fund
Statement of Responsibility for the Financial Statements
March 31, 2007**

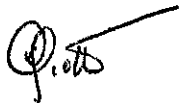
The Accountant General, subject to the general direction and control of the Minister of Finance, is responsible for the preparation of the financial statements of the Consolidated Fund.

The financial statements of the Consolidated Fund are prepared by the Accountant General in accordance with the requirements of governing legislation. The financial statements are based upon information provided by Government departments and, where necessary, information is based upon best estimates and judgement.

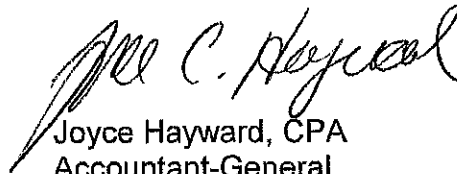
In order to fulfil accounting and reporting responsibilities, the Accountant General maintains systems of financial management and internal control to provide reasonable assurance that transactions are properly authorised by the Legislature, executed in accordance with prescribed regulations and properly recorded to maintain accountability of public money and safeguard the assets and properties under Government administration.

The audited financial statements are tabled before the Legislature annually and are referred to the Public Accounts Committee, which reports to the Legislature on the results of its examination together with any recommendations it may have with respect to the financial statements and accompanying audit opinion.

On behalf of the Government of Bermuda.



Donald Scott
Financial Secretary
Ministry of Finance



Joyce Hayward, CPA
Accountant-General
Ministry of Finance

Hamilton, Bermuda
October 31, 2007

**Government of Bermuda - Consolidated Fund
Statement of Financial Position**

As at March 31		2007	2006
		Actual	Actual
		\$	\$
Assets			
	<u>Schedule</u>		
Current			
Cash and Deposits		15,388,924	31,087,387
Accounts Receivable	1	127,814,653	118,223,338
Prepaid Supplies	2	13,530,409	11,811,972
Prepaid Expenses		3,179,690	1,098,673
Due from Government Funds and Agencies	3	43,024,436	33,711,677
		202,938,112	195,933,047
Due from Bermuda Housing Corporation	4	-	49,500,000
Long-Term Receivables	5	3,910,988	3,374,604
Work in Process	13	15,939,708	154,985,935
Tangible Capital Assets (Note 16)	13	463,862,127	286,690,456
		686,650,935	690,484,042
Liabilities			
Current			
Accounts Payable and Accrued Liabilities	6	111,054,921	99,209,989
Deferred Revenue	7	80,125,610	76,121,810
Deferred Insurance Proceeds (Note 13)		358,856	2,619,140
Due to Government Funds and Agencies	3(a)	25,910,190	22,599,679
		217,449,577	200,550,618
Debt - Net of Sinking Fund	8	196,660,877	173,424,256
Compensated Absences (Note 8)		16,179,406	14,852,833
Pensions and Retirement Benefits (Note 9(h))		651,820,139	571,617,754
		1,082,109,999	960,445,461
Accumulated Deficit (Note 16)		395,459,064	269,961,419
		686,650,935	690,484,042

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

**Government of Bermuda - Consolidated Fund
Statement of Operations and Accumulated Deficit**

For the year ended March 31		2007 Original Estimates	2007 Actual	2006 Actual
		\$	\$	\$
	<u>Schedule</u>			
Revenue	9,11	835,613,000	883,711,019	814,086,932
Expenditure				
Current	10,12	806,125,000	952,606,293	867,399,393
Capital Development (Note 3(f))	14		49,815,364	27,304,868
Capital Acquisition (Note 3(f))	15		12,263,529	22,195,510
			1,014,685,186	916,899,771
Deficit			(130,974,167)	(102,812,839)
Accumulated Deficit, Beginning of Year			(269,961,419)	(167,148,580)
Adjustment for Tangible Capital Assets (Note 16)			5,476,522	-
Accumulated Deficit, End of Year			(395,459,064)	(269,961,419)

Government of Bermuda - Consolidated Fund Statement of Changes in Financial Position

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Deficit	(130,974,167)	(102,812,839)
Items not affecting cash:		
Amortization of Tangible Capital Assets	17,801,884	15,229,310
Increase in Compensated Absences Liability	1,326,573	1,935,239
Increase in Pension and Retirement Benefits Liability	80,202,385	133,460,007
Increase in Non-Cash Working Capital	(6,340,953)	(11,962,635)
Advances to Bermuda Housing Corporation	49,500,000	-
	11,515,722	35,849,082
CAPITAL ACTIVITIES		
Net Additions to Tangible Capital Assets (Note 16)	(189,497,033)	(18,209,242)
Net Reductions in (Additions to) Work In Process (Note 16)	139,046,227	(51,763,882)
	(50,450,806)	(69,973,124)
FINANCING ACTIVITIES		
Loan Proceeds	30,000,000	50,000,000
Increase in Sinking Fund	(6,763,379)	(4,849,463)
	23,236,621	45,150,537
Net (Decrease) Increase in Cash and Deposits	(15,698,463)	11,026,495
Cash and Deposits, Beginning of Year	31,087,387	20,060,892
Cash and Deposits, End of Year	15,388,924	31,087,387

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007**

1. Authority

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

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

The Legislature provides authority to make payments out of the Fund in annual Appropriation Acts, Supplementary Estimates and other statutes. Unused spending authority for current account appropriations lapses at the end of the fiscal year. Unused spending authority for uncompleted capital projects is carried forward to subsequent fiscal years, subject to the approval of the Minister of Finance.

2. Reporting Entity

The Consolidated Fund financial statements report the financial position, operations and changes in financial position resulting from the activities of the Consolidated Fund only, which comprises the accounts of the Senate, the House of Assembly, all Government departments and offices (including the Public Service Commission) and all courts. The Consolidated Fund is established and defined pursuant to section 94 of the Bermuda Constitution Order 1968.

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

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

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 11 to 15 provide information concerning the operations, tangible capital assets, and capital expenditures of individual Government departments and funds and agencies comprising the Consolidated Fund.

3. Summary of Significant Accounting Policies

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

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

The preparation of financial statements in accordance with the disclosed basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues earned and expenses incurred during the year. Actual results could differ from these estimates.

The significant accounting policies are as follows:

(a) Method

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

(b) Revenue

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

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

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

(c) Expenditure

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

Contributions to Government funds and agencies are expensed in the year the expenditure is made.

Classification of expenditures between current account items and capital account items follows the classification in the Approved Estimates.

(d) Interdepartmental Revenues and Expenditures

Interdepartmental revenues and expenditures are not eliminated but have been identified as explained in Note 15(c).

(e) Current Assets

Current assets include:

- (i) cash and claims by the Government on organizations and individuals arising from events and transactions occurring prior to the year-end.
- (ii) prepaid supplies intended for use in departmental operations and maintenance activities, valued at cost less a provision for obsolescence, where applicable.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

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

(f) Tangible Capital Assets

Land and buildings identified as held by the Bermuda Government are valued at historical cost and have been disclosed in the financial statements since March 31, 2002. Where original acquisition documents were difficult to retrieve, the Book Value Calculator (BVC), developed by the Chief Appraiser of Public Works and Government Services Canada (as modified by them to address the Bermuda Government situation), was used to establish reasonable estimates of the historical costs in order to develop opening balances.

Betterments are defined as building and leasehold improvements that exceed \$10,000 in value per single structural job, where such work is deemed to increase the useful life or value of the respective asset.

Work in process as it relates to the development of buildings, building betterments, vehicles or vessels has also been capitalized. Upon completion of specific projects, the balance of work in process will be transferred to the appropriate assets category and amortized over the appropriate useful life.

Vehicles, heavy and light equipment (rolling stock) and vessels owned by the Bermuda Government have been identified at historical cost and disclosed in the financial statements at amortized value beginning April 1, 2002.

Computer hardware systems, computer software, furniture and fixtures and office equipment owned by the Bermuda Government have been identified at historical cost and disclosed in the financial statements at amortized value beginning April 1, 2006.

Work continues to be done to identify assets held by the Government to ensure that all assets for the disclosed classes are recorded. If any of these assets are identified, the assets will be properly valued at historical cost and disclosed at amortized value in the financial statements of the Government.

Other tangible capital assets have continued to be charged to capital expenditure in the year of purchase or construction, which is consistent with prior years. Tangible capital assets that have not yet been disclosed include plant, machinery & equipment, infrastructure and historical treasures. These expenditures are currently classified as capital development and capital acquisition expenditures on the Statement of Operations. It is intended that plant, machinery and equipment will be capitalized and disclosed on the Statement of Financial Position in the fiscal year ending March 31, 2008. Infrastructure will be capitalized and disclosed on the Statement of Financial Position in the fiscal year ending March 31, 2009.

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

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

Buildings	40 years
Betterments	Remaining life or lease period of the related asset
Building Systems	7 years
Vehicles & Heavy Equipment	
\$10,000 to \$99,999	5 years
\$100,000 and above	7 years
Light Equipment, Boats & Vessels	
\$10,000 to \$99,999	5 years
\$100,000 and above	10 years
Leased Equipment	3 - 5 years
Computer Hardware	3 years
Computer Software	10 years
Furniture & Fixtures	7 years
Office Equipment	5 years

The Ministry of Works and Engineering is primarily responsible for Government's tangible capital assets. Amortization expense is reported under that Ministry. Since amortization is a non-cash expenditure, it is removed for appropriation reporting purposes.

(g) Liabilities

Liabilities are recorded for financial obligations to organizations and individuals occurring as a result of transactions and events arising on or before the year-end. They are the result of contracts, agreements and legislation in force at year-end that require the Government to repay borrowings or to pay for goods and services acquired or provided on or before the year-end. Liabilities also include grant payments due where no direct value is received in return.

(h) Translation of Foreign Currencies

The financial statements are reported in Bermuda dollars. The Bermuda dollar is valued at par with the United States dollar. Assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the year-end date. Revenues and expenditures originating in foreign currencies are translated at the exchange rate in effect on the date the specific transactions occurred. Translation gains and losses are included in the Statement of Operations and Accumulated Deficit.

4. Approved Estimates of the Government of Bermuda

(a) Budget Process

Annually, the government presents a Budget (“Estimates”) of expected revenues and expenditures for the following fiscal year.

The Government’s spending Estimates for the fiscal year commencing April 1 are presented to the Members of the Legislature by the Minister of Finance. The Estimates outline the spending plans of each Ministry/Department submitted for approval to the Legislature in the Appropriations Act.

The Estimates referred to in the financial statement schedules are from the original Approved Estimates of Revenue and Expenditure for the fiscal year 2006/07 and do not reflect changes arising from the tabling of Supplementary Estimates, except for the Adjusted Estimates referred to in Schedule 16 which include the original Approved Estimates and any tabled Supplementary Estimates.

(b) Comparison of Actual to Estimates for Expenditure

The Ministry of Finance prepares annual Estimates on the modified cash basis. These financial statements are prepared on an accrual basis. Due to the difference in accounting, Schedule 16 restates actual expenditure to the modified cash basis for comparative and analytical purposes against the adjusted estimates. The most significant differences are as follows:

- (i) Bad Debts – For financial statement purposes, a provision is established and expensed for accounts receivable where collection is doubtful. For budget purposes, no such provision is made.
- (ii) Pension – The financial statement pension-related expenditure is explained in Note 9. For budget purposes, pension expense is equal to its funding payments.
- (iii) Government Borrowing Sinking Fund (Note 5) – Transfers to the Sinking Fund are recorded as cash transfers. For budget purposes, the Sinking Fund contribution is considered an expenditure.
- (iv) Compensated Absences – Certain Government employees are entitled to pre-retirement leave benefits, as explained in Note 8. For budget purposes, retirement pay is estimated based on anticipated salary spending for the current year.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

5. Government Borrowing Sinking Fund

Effective March 31, 1993, the Government Borrowing Sinking Fund (GBSF) was established as a separate legal entity for the repayment of government borrowing under the provisions of the Government Loans Act 1978, as amended.

During each financial year, the Consolidated Fund must pay to the GBSF 2.5% of the public debt outstanding in the Consolidated Fund at the end of the preceding year, subject to certain exclusions and interest provisions as defined by the legislation.

The GBSF assets may only be applied to reduce or cancel public debt. The assets are invested in accordance with the Public Funds Act 1954 and are shown as a reduction of debt issued on the Consolidated Fund Statement of Financial Position.

Separate audited financial statements are prepared for the GBSF which readers should refer to for further information.

6. Contingencies Fund

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

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

7. Unemployment Insurance Fund

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

The Minister of Finance will pay amounts approved by the Legislature as Government's contribution to the Insurance Fund. Monies paid into the Insurance Fund will be invested in accordance with the Public Funds Act 1954 and the interest earned on such investments will be paid into the Insurance Fund. As of March 31, 2007, no amounts have been paid into the Insurance Fund.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

8. Compensated Absences

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

An actuarial valuation of the Government's obligation for retirement leave was extrapolated to March 31, 2007, using similar various long-term assumptions as the Public Service Superannuation Fund pension plan (Note 9). The valuation determined that the accrued benefit obligation for retirement leave is currently \$16,179,406 (2006 - \$14,852,833), as defined in the table below.

During the prior year, certain procedures were revised with respect to system data used in the calculation of the pension liability. The revisions led to the discovery of additional eligible employees that were also included in the calculation of the accrued benefit obligation for compensated absences. As a result of this change in accounting estimate, the prior year's compensated absences expense includes an adjustment increase of \$614,420, as shown in the table below.

	2007	2006
	\$	\$
Accrued benefit obligation, beginning of year	14,852,833	12,917,594
Correlating change in accounting estimate	-	614,420
Current period benefit cost	800,662	766,184
Interest accrued	976,802	893,470
Less: Benefit payments	(450,891)	(338,835)
Accrued benefit obligation, end of year	<u>16,179,406</u>	<u>14,852,833</u>

9. Pensions and Other Retirement Benefits

(a) Contributory Defined Benefit Pension Plans

The Government administers contributory defined benefit pension plans for substantially all of its employees, quasi-autonomous non-governmental organization (QUANGO) employees and all ministers and members of the Legislature. There are two plans currently in operation – the Public Service Superannuation Fund (PSSF) and the Ministers and Members of the Legislature Pensions Fund (MMLPF).

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

9. Pensions and Other Retirement Benefits (cont'd)

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

Employees contribute 6% of their basic salary for PSSF and Ministers and Members contribute 12.5% of their salary for MMLPF. The Government matches the participant's contribution in each plan. The amount of Government contributions made during the year for each plan was as follows: PSSF 2007 - \$17,030,028 (2006 - \$14,065,493), MMLPF 2007 - \$352,934 (2006 - \$308,761). The Public Service Superannuation Act 1981 and the Ministers and Members of the Legislature (Salaries and Pensions) Act 1975, as amended, provide that, if at any time the funds are insufficient to meet the payments chargeable against them, the deficiency shall be made up out of the Consolidated Fund.

(b) Pension Liability

The pension liability is calculated on an actuarial basis. Actuarial valuations are performed triennially using the projected benefit method, pro-rated on services. An actuarial valuation was performed on the both the PSSF and the MMLPF as at March 31, 2006, the results were then extrapolated to March 31, 2007, using the same assumptions, to produce the estimates included in these financial statements.

Actuarial valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, employee turnover and mortality. The assumptions used reflect Government's best estimates of expected long-term rates and short-term forecasts.

The most significant assumptions are that the average investment return will be greater than the average rate of salary increase by approximately 4.25% (prior valuation - 2.0%) and the cost of living increase will average 3.0% (prior valuation - 3.25%) per annum.

The 1994 Group Annuity Mortality Table was used for the mortality assumption.

For the PSSF, pension fund assets consist primarily of listed stocks and bonds and short-term investment funds. Market-related asset values, which recognize the differences between the actual return on assets and the expected return on assets over a period of five years, have been used to determine the pension liability and pension-related expenditure for the PSSF. The market-related value of assets for the PSSF was \$356,299,907 as at March 31, 2007 (2006 - \$336,286,908) compared to a real market value of \$393,138,484 (2006 - \$366,987,115).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

9. Pensions and Other Retirement Benefits (cont'd)

For the MMLPF there is no difference between the market value of plan assets and the market-related value and as at March 31, 2007 the value was \$8,436,893 (2006 - \$7,744,008). The actual return on plan assets during the year was 11.1% (2006 - 15.2%) for the PSSF and 7.0% (2006 - 7.0%) for the MMLPF.

As at March 31, 2007, \$21,990,461 (2006 - \$10,066,416) was receivable from the PSSF in respect of net benefits paid in excess of contributions received by the Consolidated Fund.

(c) Non-Contributory Defined Benefit Pension Plan

The Bermuda Department of Tourism North America Retirement Plan (BDTRP) provides retirement, disability and death benefits for Department of Tourism employees residing in North America.

In accordance with the BDTRP agreement, the Government is required to provide funding necessary to ensure that benefits based on actuarial valuations will be fully provided for at retirement. The Government contribution for the year was \$275,838 (2006 - \$257,565). A valuation was performed on the BDTRP as of March 31, 2006, the results were then extrapolated to March 31, 2007, using the same assumptions, to produce the estimates included in these financial statements.

A service pension is available based on the number of years of service times 2.4% of the last five years' average salary up to a maximum of 60% of the annual salary.

The BDTRP has its own unique set of assumptions which were used to prepare the actuarial valuation. The most significant assumptions are an interest rate of 6.5% and a salary increase rate of 4.25% (2006 - 4.25%). Due to the small size of the scheme, no staff turnover assumptions were made. The mortality assumptions are the same as those used for the PSSF. Pension fund assets consist primarily of listed stocks and short-term investment funds. There is no difference between the market value of plan assets and the market-related value and as at March 31, 2007 the value was \$2,990,060 (2006 - \$2,782,300). The actual return on plan assets during the year was 2.6% (2006 - 9.7%).

(d) Pension-Related Expenditure

Pension-related expenditure recognized by the Consolidated Fund comprises the cost of pension benefits earned by employees during the year, interest on the pension benefit liability (net of interest on pension plan assets) and amortization of the Government's share of any experience gains or losses, less contributions made by the employees. The estimated total cost of the Government's share of plan amendments related to past service is expensed in the year the plan is amended. The pension-related expenditure is disclosed in note 9(h) and included in schedule 10 as a component of retirement benefit expenditures.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007**

9. Pensions and Other Retirement Benefits (cont'd)

During the prior year, certain procedures were revised with respect to system data used in the calculation of the pension liability. The revisions led to the discovery of additional eligible employees and deferred pensioners that were included in the calculation of the estimated pension liability. As a result of this change in accounting estimate, the prior year's pension expense included an adjustment increase of \$61,309,372.

A net unamortized experience loss of \$178,751,817 (2006 - 204,982,815) is reported in the Schedule below. The amount comprises a total unamortized experience loss on the pension liability of \$145,444,283 (2006 - \$159,992,124) and a total unamortized experience loss on the asset valuation of \$33,307,534 (2006 - \$44,990,691). The period of amortization is ten years.

Aggregate information about the PSSF, MMLPF and BDTRP is in the following tables.

(e) Funded Status of Plans

For the year ended March 31	2007 Actual	2006 Actual
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	1,032,999,732	977,944,777
MMLPF	27,874,992	22,381,545
BDTRP	2,582,985	2,327,461
	1,063,457,709	1,002,653,783
Net Fund Assets		
PSSF	(356,299,907)	(336,286,908)
MMLPF	(8,436,893)	(7,744,008)
BDTRP	(2,990,060)	(2,782,300)
	(367,726,860)	(346,813,216)
Unamortized Estimation Adjustments		
PSSF	(178,751,817)	(204,982,815)
Pension Liability		
PSSF	497,948,008	436,675,054
MMLPF	19,438,099	14,637,537
BDTRP	(407,075)	(454,839)
Carried Forward to Note 9 (h)	516,979,032	450,857,752

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

9. Pensions and Other Retirement Benefits (cont'd)

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$
Pension-Related Expenditure		
Cost of Pension Benefits	36,394,072	31,887,732
Employee Contributions	(17,382,962)	(14,374,253)
Interest on Pension Liability	43,886,862	35,965,783
Amortization of Experience Gains & Losses		
1999 Experience Gain	(1,067,086)	(1,067,086)
2000 Experience Gain	(3,011,773)	(3,011,773)
2001 Experience Gain	(2,196,870)	(2,196,870)
2002 Experience Loss	573,592	573,592
2003 Experience Loss	3,418,847	3,418,847
2004 Experience Loss	21,908,086	21,908,086
2005 Experience Loss	2,048,199	2,048,199
2006 Experience Loss	595,574	-
Sub-total	85,166,541	75,152,257
Change in accounting estimate (Note 9 (d))	-	61,309,372
Carried forward to Note 9 (h)	85,166,541	136,461,629

(f) Contributory Pension Fund

The Contributory Pension Fund (CPF) was established under the Contributory Pensions Act 1970 and subsequent amendments.

The purpose of the CPF is to provide old age pension, disability and death benefits for persons satisfying certain contribution, citizenship and residency requirements. Contributions to the CPF are compulsory for persons employed in Bermuda, the self-employed and employers.

There is no legislative provision for the Consolidated Fund to provide for any shortfall if, at any time, the CPF has insufficient funds to meet its current legislated obligations.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

9. Pensions and Other Retirement Benefits (cont'd)

(g) Retirement Benefits Other than Pensions - Health Insurance Plan

The Government administers a health care plan, the Government Employees Health Insurance Fund (GEHI), for substantially all of its employees, quasi-autonomous non-governmental organization (QUANGO) employees, all ministers and members of the Legislature and retirees. The GEHI Fund provides medical insurance for retirees and eligible dependents with the Government matching the participant's contribution to the plan.

In 2002 the Government adopted accrual accounting for the GEHI plan.

An actuarial extrapolation of the Government's obligations for retirement benefits other than pensions was performed for accounting purposes at March 31, 2007, using various long-term assumptions, based on the valuation performed as at March 31, 2005.

The discount rate used in determining the accumulated post-retirement benefit obligation was 6.50%. The assumed health-care cost trend rate used was 7.5% (2006 - 8%), reducing by 0.5% per annum to 5% (2012) per annum. The 1994 Group Annuity Mortality Table was used for the mortality assumption. The value accrues a liability in respect of the matching premium paid by government under the insurance arrangement in respect of retired employees. The calculation is based on the projected benefit method pro-rated on service.

Aggregate information about the health care plan is in the table below.

	2007	2006
	\$	\$
Accrued benefit obligation at beginning of year	148,136,986	137,385,700
Current period benefit cost	6,216,725	5,837,300
Interest accrued	9,697,234	8,987,397
Less: Benefit payments	<u>(4,114,268)</u>	<u>(4,073,411)</u>
Accrued benefit obligation at end of year	<u>159,936,677</u>	<u>148,136,986</u>
Expected accrued benefit obligation at end of year	159,936,677	148,136,986
Actual accrued benefit obligation at end of year	<u>159,936,677</u>	<u>148,136,986</u>
Experience loss	<u>-</u>	<u>-</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

9. Pensions and Other Retirement Benefits (cont'd)

Expected average remaining service life	13 years	13 years
Annual amortization	\$2,281,415	\$2,281,415

Liability for retirement benefits recorded in the statement of financial position

	2007	2006
	\$	\$
Closing accrued benefit obligation	159,936,677	148,136,986
Unamortized losses	<u>(25,095,570)</u>	<u>(27,376,984)</u>
Liability for retirement benefits (Note 9(h))	<u>134,841,107</u>	<u>120,760,002</u>

Expenditures/expenses recorded in statement of operations and accumulated deficit

	2007	2006
	\$	\$
Current period benefit cost	6,216,725	5,837,300
Amortization of losses	<u>2,281,415</u>	<u>2,281,415</u>
Retirement benefit expenditure	8,498,140	8,118,715
Retirement benefit interest expenditure	<u>9,697,234</u>	<u>8,987,397</u>
Total expenditures related to retirement benefits (Note 9(h))	<u>18,195,374</u>	<u>17,106,112</u>

(h) Accrued Pensions and Retirement Benefits Liability and Expense Summary

	2007	2006
	\$	\$
Pensions (Note 9(e))	516,979,032	450,857,752
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(g))	<u>134,841,107</u>	<u>120,760,002</u>
Total Pensions and Retirement Benefits Liability	<u>651,820,139</u>	<u>571,617,754</u>
Pensions (Note 9(e))	85,166,541	136,461,629
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(g))	<u>18,195,374</u>	<u>17,106,112</u>
Total Pensions and Retirement Benefits Expenditure	<u>103,361,915</u>	<u>153,567,741</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

10. Contingent Liabilities

(a) Guarantees

In August 1994, the Government introduced the National Education Guarantee Scheme to provide qualifying students with financial guarantees on bank loans for post-secondary education. The repayment of principal and accrued interest is guaranteed by the Government. In the event of default by the student, the banks will call on the guarantee contract. At March 31, 2007, \$1,498,073 (2006 - \$1,797,818) is outstanding on guaranteed student loans with local banks.

(b) Claims and Potential Claims

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

The total of specific amounts claimed or potential settlements which are under litigation or possible litigation as at March 31, 2007 is \$8,070,984 (2006 - \$8,307,633).

(c) Environmental Liabilities

The Government recognizes that there could be a cost for restoration of the environment at the bases formerly occupied by the US, UK and Canadian militaries. It is anticipated that such costs would include removal of hazardous materials, clean-up and restoration of facilities.

A liability of \$26,250,000 was accrued in 2003 which was an estimate of the costs of the environmental clean-up and remediation at the three former major base land sites. The estimated range was \$26 million (rounded) to \$40 million, which included an approximate 20% contingency of the total. Since no costs have been incurred to clean up the base land sites to date, this amount is still reflected in the March 31, 2007 financial statements.

The cost for Southside (estimated at \$10.5 million, with a range of \$10.5 million to \$20 million; \$6.5 million for work already performed has been deducted from the lower end of the estimated range) involves demolition of buildings beyond refurbishment and removal of asbestos. The cost for clean-up of Tudor Hill (estimated at \$1 million with a range of \$1 million to \$2 million) is for removal of asbestos and demolition of buildings on the site. Clean-up of Morgan's Point is estimated at \$14.75 million (with a range of \$15 million to \$18 million); \$3 million of that amount is the estimated amount required to remove immediate environmental hazards and the remainder is for fuel storage tanks, removal and remediation of asbestos as well as demolition of derelict buildings.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

10. Contingent Liabilities (cont'd)

The Government recognizes that this is only an estimate based on orders of cost which are developed from unit rates used to date for clean-up at Southside and budget estimates from consultants hired by potential developers at the Morgan's Point site. In the interest of proper accounting, the estimate has been accrued based on the figures available. The Government is currently undertaking steps to have this assessment reviewed and updated to ensure reasonable accuracy of these estimates.

(d) Building Demolition

The Government has decided to raze the buildings of the hotel complex in St. George's, last leased by Club Med. The cost of these buildings in the financial statements has already been written down to a nil value. The Government recognizes that there will be a cost for the demolition. It intends to pass these costs on to future developers of the sites. It is anticipated that such costs would include the demolition, the removal of materials and the clean-up of the site.

No liability has been accrued in 2007 for these costs at the former Club Med site, as no reasonable estimated range of costs exists. The Government intends to accept proposals on this demolition project in the next fiscal year, allowing an estimate to be made of the potential liability at that time.

11. Commitments

The Government has ongoing operational and capital development commitments to fund a variety of programs for public welfare including health, education, social services, protection of persons and properties, and management of natural resources. The annual operational and ongoing capital development commitments are detailed in the annual Approved Estimates. The capital development commitments are summarized in Schedule 17.

12. Lease Commitments

The average period of capitalized leased office machines is 3 years. Leases are capitalized based on the discounted value of 5.28% and amortized on a straight line basis over the period of the lease.

The following is an analysis of the leases:

	2007	2006
	\$	\$
Present value of lease cost	2,757,575	2,414,783
Less: Accumulated amortization	<u>(1,610,621)</u>	<u>(1,401,949)</u>
Present value of leases payable	<u>1,146,954</u>	<u>1,012,834</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007

12. Lease Commitments (cont'd)

The following is a schedule of future minimum lease payments under leases expiring up to March 31, 2010:

	2007
	\$
2008	394,386
2009	695,317
2010	823,851
Less: Discounted amount	<u>(766,600)</u>
Present value of obligation	<u>1,146,954</u>

13. Deferred Insurance Proceeds

On September 5, 2003, a category three Hurricane (Fabian) struck the island resulting in major destruction and damages to Government buildings, property and equipment.

The Government Insurance Policy covered much of the property damages that Government Departments and QUANGO's sustained from the hurricane. The total insurance claim was settled for \$28,132,212. This settlement was split, \$1,661,393 for St. George's Grammar School and \$26,470,819 for all other properties. All insurance proceeds were received prior to March 31, 2006.

Insurance monies received for repairs are recorded as deferred insurance proceeds in the Statement of Financial Position and then drawn down as the expenditures are incurred. It is anticipated that the expenditures for damages to buildings and properties will continue over the next fiscal year. \$27,773,356 (2006 - \$25,513,072) has been spent on repairs as at March 31, 2007, leaving \$358,856 (2006 - \$2,619,140) in deferred insurance proceeds.

14. Supplementary Estimates

Supplementary estimates are required by the Bermuda Constitution Order 1968 for expenditures incurred in excess of amounts appropriated. During the year, \$29,014,560 in Supplementary Estimates was approved and spent which consisted of \$20,789,560 for current expenditure and \$8,225,000 for capital expenditure. Additional expenditures of \$62,450,046 were incurred in excess of amounts appropriated.

15. Related Party Transactions

(a) Funds

The Fund is related to the Government Employees Health Insurance Fund ("GEHI"), the Contributory Pension Fund ("CPF"), the Ministers and Members of the Legislature Pensions Fund ("MMLPF"), the Bermuda Department of Tourism North America Retirement Plan ("BDTRP"), the Public Service Superannuation Fund ("PSSF"), the Confiscated Assets Fund and the Government Reserves Fund.

The financial activities of these Funds are reported separately in each Fund's financial statements. The Consolidated Fund provides accounting and certain administrative services to the Funds. These transactions are in the normal course of operations and are measured at the appropriate exchange amount. The other activities represent the net position of contributions payable to the Funds and expenses paid out of the Consolidated Fund on behalf of the Funds. Schedules 3 and 3(a) display details of unpaid balances due from and due to the Funds which have arisen from normal operating activities. The rate of interest accruing on the balances is 7% per annum.

(b) QUANGOs

The Fund is related to certain quasi-autonomous non-governmental organizations ("QUANGOs"). The QUANGOs are government businesses which have been established under their respective legislative incorporation acts.

The Fund enters into transactions with the QUANGOs in the normal course of business which are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties. Schedules 3 and 3(a) include details of balances due from and due to these entities which have arisen from normal operating activities. During the year, no interest was charged and/or incurred from or to the Fund and the various QUANGOs.

(c) Interdepartmental Transactions

Interdepartmental transactions are those transactions in which revenues and expenses are generated between Government departments and/or Ministries. These revenues and the related expenses should be eliminated from the Fund's figures. As per Note 3(d), interdepartmental revenues and expenses are not eliminated. However all interdepartmental revenues and expenses have been identified and are shown in Schedules 11(a) and 12(a), respectively.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007**

15. Related Party Transactions (cont'd)

(d) Other

The Bermuda Government provided a letter of comfort to the Bank of Butterfield (the "Bank") on behalf of the Bermuda Housing Corporation ("BHC") dated July 13, 2000 which states, "To the extent that the BHC operates programmes which do not break-even, the Government appropriates annual grants which enable BHC to comply with its legislation."

16. Tangible Capital Asset Recognition

As disclosed in note 3(f), computer hardware, furniture & fixtures, computer software and office equipment have now been recognized in the financial statements as at April 1, 2006. The assets in these classes purchased prior to April 1, 2006 have been recognized at amortized value. The recognition of the amortized value of these capital assets has been offset by an adjustment to the accumulated deficit, as disclosed in the Statement of Operations & Accumulated Deficit, excluded from the purchase of assets in the Statement of Changes in Financial Position, and included at gross values in Schedule 13.

17. Correction of an Accounting Error

Deferred Insurance Proceeds

As disclosed in note 13, insurance monies received for repairs for Hurricane Fabian were recorded as deferred insurance proceeds in the Statement of Financial Position and then are drawn down as the expenditures are incurred. However, in prior years, some of the repairs were incorrectly classified as repairs and maintenance. Due to the misclassification, the deferred insurance proceeds were not reduced. This resulted in an overstatement of the repairs and maintenance expense in the cumulative amount of \$3,567,033, for fiscal years 2004, 2005 and 2006. The prior year's deferred insurance proceeds and deficit have been restated accordingly.

Deferred Insurance Proceeds

As previously stated (March 31, 2006):	\$ 6,186,173
As restated:	\$ 2,619,140

Current Expenditure

As previously stated (March 31, 2006):	\$ 870,966,426
As restated:	\$ 867,399,393

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2007**

17. Correction of an Accounting Error (cont'd)

Accumulated Deficit, End of Year

As previously stated (March 31, 2006):	\$ 273,528,452
As restated:	\$ 269,961,419

18. Subsequent Event

Increase in Borrowing

On May 15, 2007, the Government drew \$40 million from its \$200 million loan facility (Schedule 8).

19. Comparative Figures

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

Government of Bermuda - Consolidated Fund

Schedule 1: Accounts Receivable

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Office of the Tax Commissioner	121,010,191	110,062,719
Post Office	4,658,363	3,616,373
Works & Engineering	4,203,197	3,858,014
Airport Operations	3,636,267	2,652,549
Customs	3,606,132	3,270,851
Telecommunications	3,233,786	2,523,639
Judicial Department	2,687,078	3,889,003
Registrar of Companies	2,686,831	2,832,974
Department of Education	1,829,071	1,556,685
Fire Services	755,489	1,019,902
Accountant General	449,173	890,422
Tourism	428,530	291,153
Maritime Administration	385,628	443,979
Health Department	338,870	452,745
Marine & Ports	264,160	402,119
Department of Human Resources	192,555	104,492
Civil Aviation	192,429	431,983
Conservation Services	154,874	129,510
Environmental Protection	145,229	88,608
Public Transportation Board	80,650	71,834
Financial Assistance	56,073	58,621
Police	52,116	51,105
Registry General	29,472	29,617
Youth, Sport & Recreation	21,852	15,783
Parks	15,478	31,478
Child & Family Services	6,740	3,385
Immigration	1,969	-
Office of the Auditor General	1,950	5,550
Transport Control Department	1,386	-
Libraries	1,154	1,019
Attorney General	891	-
Governor & Staff	-	1,360
	151,127,584	138,787,472
Less: Provision for Doubtful Accounts	23,312,931	20,564,134
	127,814,653	118,223,338

Government of Bermuda - Consolidated Fund Schedule 2: Prepaid Supplies

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Works & Engineering	5,977,237	5,127,525
Public Transportation Board	3,559,992	2,765,680
Police	1,379,103	1,395,152
Marine & Ports	979,204	864,214
Defence	656,967	680,816
Department of Education	521,765	504,695
Department of Corrections	295,980	287,924
Health	275,685	350,006
Conservation Services	115,198	74,566
Post Office	67,826	59,256
Immigration	59,895	60,581
	13,888,852	12,170,415
Less: Provision for Obsolescence	358,443	358,443
	13,530,409	11,811,972

**Government of Bermuda - Consolidated Fund
Schedule 3: Due From Gov't Funds and Agencies**

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Public Service Superannuation Fund	21,990,461	10,066,416
Government Employees Health Insurance Fund	13,113,074	15,252,645
Bermuda Monetary Authority	2,929,931	2,403,745
Bermuda Hospitals Board	1,824,420	2,135,189
Hospital Insurance Fund	1,104,773	766,312
Government Reserves Fund	579,723	-
Golf Courses	572,791	585,941
West End Development Corporation	431,022	1,061,177
Bermuda Land Development Company	199,585	194,266
Bermuda College	175,934	187,765
Parish Councils	42,825	68,017
CedarBridge Academy	31,872	32,649
Pension Commission	18,040	27,269
Bermuda Small Business Development Corp.	5,289	443,555
National Sports Centre	4,696	1,480
Bermuda Housing Corporation	-	485,244
Stonington Beach Hotel Ltd.	-	7
	43,024,436	33,711,677

**Government of Bermuda - Consolidated Fund
Schedule 3(a): Due to Gov't Funds and Agencies**

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Contributory Pension Fund	13,140,004	11,329,374
Ministers and Members Pensions Fund	8,243,874	7,755,199
Bermuda Hospitals Board	2,519,383	2,060,143
Confiscated Assets Fund	722,905	605,604
Tourism North America Retirement Plan	652,419	463,436
Bermuda Housing Corporation	556,890	-
West End Development Corporation	28,207	41,453
Pembroke Parish Council	19,372	206,268
Stonington Beach Hotel Ltd.	8,938	322
National Sports Centre	5,989	-
Bermuda Land Development Company	5,055	7,909
Golf Courses	1,943	1,943
Bermuda Monetary Authority	1,723	-
Bermuda College	1,672	65,162
Bermuda Small Business Development Corp.	1,050	800
CedarBridge Academy	766	2,856
Hospital Insurance Fund	-	59,210
	25,910,190	22,599,679

Government of Bermuda - Consolidated Fund
Schedule 4: Due From Bermuda Housing Corporation

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Balance	-	49,500,000

The funds loaned to the Bermuda Housing Corporation were on reciprocal terms and conditions as the loan facility described in Schedule 8. However, the Government agreed not to charge the Bermuda Housing Corporation interest for six months last year. During the current year, debt relief was provided to the Bermuda Housing Corporation so that it could carry out its' mandates. The \$49,500,000 was expensed as a Grant to the BHC.

Government of Bermuda - Consolidated Fund
Schedule 5: Long-Term Receivables

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Customs Duty	2,807,899	2,627,170
Education Student Loans	1,103,089	747,434
	3,910,988	3,374,604

**Government of Bermuda - Consolidated Fund
Schedule 6: Accounts Payable and Accrued Liabilities**

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Department Trade Accounts	47,926,820	38,969,109
Environmental Liabilities (Note 10(c))	26,250,000	26,250,000
Employees' Leave Entitlements	13,555,813	12,070,021
Deposits Held	9,727,953	10,055,308
Teachers' Salaries & Leave Entitlements	9,140,540	6,818,301
Interest on Debt	1,898,938	1,788,071
Salaries, Wages and Benefits	1,485,652	2,157,006
Leases Payable	1,069,205	1,102,173
	111,054,921	99,209,989

**Government of Bermuda - Consolidated Fund
Schedule 7: Deferred Revenue**

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Registrar of Companies	40,917,832	38,553,243
Transport Control Department	18,060,225	17,489,956
Office of the Tax Commissioner	10,960,785	10,403,526
Immigration	5,470,556	5,790,310
Civil Aviation	3,312,777	2,619,373
Marine & Ports	526,300	512,654
Post Office	430,076	423,278
Environmental Protection	92,189	80,530
Works & Engineering	80,307	78,599
Police	70,000	-
Maritime Administration	60,363	-
Parks	44,487	37,358
Tourism	33,619	33,014
Health Department	33,105	32,179
Customs	17,653	38,250
Youth, Sport & Recreation	15,336	13,463
Cultural Services	-	9,430
Education	-	6,437
Community Affairs	-	210
	80,125,610	76,121,810

**Government of Bermuda - Consolidated Fund
Schedule 8: Debt - Net of Sinking Fund**

As at March 31	2007	2006
	Actual	Actual
	\$	\$
Senior Notes Due 2014 - US\$		
Issue Date: June 10, 2004		
Interest: 5.39% payable semi-annually June 10 and December 10		
Notes Due: June 10, 2014	75,000,000	75,000,000
Loan Facility - US\$		
Amount: US \$ 200 million		
Issue Date: June 17, 2005		
Interest: LIBOR + .11% payable on rollover date		
Facility Fee: .04% per annum payable quarterly		
Period: 5 years	160,000,000	130,000,000
Senior Notes Due 2007 - US\$		
Issue Date: November 26, 1997		
Interest: 6.72% payable semi-annually May 26 and November 26		
Notes Due: November 26, 2007	20,000,000	20,000,000
	255,000,000	225,000,000
Less: Sinking Fund (Note 5)	58,339,123	51,575,744
	196,660,877	173,424,256

**Government of Bermuda - Consolidated Fund
Schedule 9: Revenue By Type**

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Taxes & Duties			
Payroll Tax	265,000,000	297,301,365	265,119,440
Customs Duty	225,148,000	230,228,439	227,181,209
Stamp Duty	54,867,000	50,709,943	48,006,480
Land Tax	51,500,000	43,286,042	41,935,894
Passenger Tax	26,550,000	30,530,390	24,856,270
Non-Bermudian Land Acquisition Tax	10,000,000	21,242,182	12,972,746
Hotel Occupancy Tax	11,000,000	12,046,540	11,726,564
Foreign Currency Purchase Tax	6,500,000	8,714,991	6,020,261
Corporate Services Tax	2,500,000	3,060,088	2,916,032
Betting Tax	1,500,000	1,765,860	1,305,454
Timesharing Tax	250,000	322,781	226,134
	654,815,000	699,208,621	642,266,484
Fees, Permits & Licences			
International Companies	49,565,000	52,067,072	49,361,643
Vehicle Licences & Registration	26,095,000	27,200,659	24,995,058
Immigration	11,448,000	13,069,029	10,012,726
Telecommunications	9,711,000	11,295,248	10,763,238
Air Terminal & Aviation	11,882,000	11,039,311	10,379,127
Bus Transportation	7,999,000	8,259,995	7,781,418
Registration of Aircraft	5,180,000	7,327,709	5,757,476
Postal Services	7,993,000	6,885,062	7,709,751
Water	4,350,000	3,556,935	3,697,120
Solid Waste Services	5,692,000	3,325,069	3,186,385
Services to Seaborne Shipping	3,774,000	2,986,094	2,917,843
Registration of Shipping	2,350,000	2,813,682	2,187,220
Local Companies	2,500,000	2,705,588	2,459,337
Rentals	2,646,000	2,585,684	2,192,411
Other Customs Fees & Charges	1,906,000	2,222,343	1,936,996
Ferry Services	1,500,000	1,788,824	1,435,489
Wharfage	1,236,000	1,759,241	1,614,045
Trade and Service Mark	1,305,000	1,442,971	1,493,178
Planning Fees and Searches	2,113,000	1,290,606	1,095,601
Plant Production and Marketing Centre	438,000	424,462	393,449
Companies Licences	295,000	422,930	350,464
Liquor Licences	320,000	318,675	334,115
Insurance Fees	20,000	12,040	17,587
	160,318,000	164,799,229	152,071,677
Other Revenue			
Other	10,752,000	9,948,091	10,519,006
Fines & Forfeitures	5,228,000	4,329,531	4,814,506
Investment Income	2,500,000	3,273,409	2,662,020
Bermuda Monetary Authority	2,000,000	2,152,138	1,753,239
	20,480,000	19,703,169	19,748,771
TOTAL REVENUE	835,613,000	883,711,019	814,086,932

**Government of Bermuda - Consolidated Fund
Schedule 10: Current Expenditure By Type**

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Employees			
Salaries	280,529,000	255,472,104	238,452,883
Retirement Benefit Expenditures	-	103,361,915	153,567,741
Wages	72,270,000	84,207,711	77,442,704
Employer Overhead	40,101,000	22,968,105	17,620,719
Other Personnel Costs	7,883,000	7,860,102	6,988,842
Training	8,924,000	6,065,384	5,894,967
Compensated Absences	-	1,326,573	1,935,239
	409,707,000	481,261,894	501,903,095
Operations			
Grants & Contributions	196,637,000	242,699,563	174,363,084
Professional Services	68,262,000	71,574,920	56,856,311
Materials & Supplies	30,026,000	35,302,209	30,463,610
Advertising & Promotion	16,213,000	19,326,824	20,694,557
Amortization	-	17,801,884	15,229,310
Repair & Maintenance	16,539,000	17,331,476	9,707,805
Energy	12,841,000	16,403,825	14,673,987
Interest on Debt	12,190,000	14,510,280	10,868,869
Rentals	12,387,000	11,941,257	11,029,420
Insurance	11,101,000	10,456,365	9,444,394
Communications	10,160,000	8,130,352	7,134,247
Transport	5,329,000	5,956,495	7,110,008
Travel	6,433,000	5,570,159	4,857,659
Other	5,805,000	3,325,803	1,482,291
Bad Debts	-	2,436,298	2,755,867
Equipment	3,850,000	2,408,867	2,232,008
Clothing & Uniforms	2,170,000	1,979,914	1,758,264
Bank Charges & Commissions	-	406,267	348,556
Transfer to Other Funds	3,800,000	-	-
Capital Recharges	(1,690,000)	-	-
Receipts Credited to Programmes	(15,635,000)	(16,218,359)	(15,513,949)
	396,418,000	471,344,399	365,496,298
TOTAL CURRENT EXPENDITURE	806,125,000	952,606,293	867,399,393

**Government of Bermuda - Consolidated Fund
Schedule 11: Revenue By Ministry / Department**

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	-	5,623	4,071
05 Office of the Auditor General	493,000	468,500	337,264
63 Parliamentary Registrar	82,000	111,047	84,927
	575,000	585,170	426,262
Cabinet Office Departments			
09 Cabinet Office	-	12,979	-
14 Department of Statistics	4,000	900	4,747
15 Department of Management Services	-	-	99
26 Department of Human Resources	20,000	-	-
30 Marine & Ports	6,177,000	5,597,492	5,159,271
31 Airport Operations	13,040,000	12,296,304	11,730,484
33 Tourism	38,000	55,351	45,137
34 Transport Control Department	26,099,000	27,195,707	24,993,669
35 Public Transportation Board	7,999,000	8,286,154	7,797,472
48 Ministry of Transport HQ	-	-	4,327
51 Department of Communication & Information	-	1,630	75
57 Civil Aviation	5,193,000	7,363,559	5,765,865
73 Maritime Administration	2,350,000	2,812,756	2,190,429
	60,920,000	63,622,832	57,691,575
Ministry of Justice			
02 Legislature	6,000	8,238	26,669
03 Judicial Department	12,737,000	6,676,891	11,413,863
04 Attorney-General's Chambers	-	9,937	2,036
75 Department of Public Prosecutions	-	970	313
	12,743,000	6,696,036	11,442,881
Ministry of Finance			
10 Ministry of Finance HQ	-	2,619	1,414
11 Accountant-General	4,665,000	5,786,236	4,498,355
12 Customs	228,625,000	234,444,124	231,304,794
28 Department of Social Insurance	5,000	-	13,583
38 Office of the Tax Commissioner	412,590,000	445,887,559	396,079,829
39 Registrar of Companies	53,115,000	56,027,345	52,859,549
58 Interest on Debt	-	-	841,581
	699,000,000	742,147,883	685,599,105
Ministry of Education, Sports & Recreation			
17 Department of Education	146,000	190,983	62,175
19 Archives	9,000	2,718	10,093
20 Youth, Sport & Recreation	854,000	690,314	688,268
	1,009,000	884,015	760,536
Ministry of Health			
21 Ministry of Health HQ	-	2,109	48
22 Health Department	1,032,000	1,058,634	1,079,914
	1,032,000	1,060,743	1,079,962

**Government of Bermuda - Consolidated Fund
Schedule 11: Revenue By Ministry / Department (cont'd)**

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Ministry of Labour & Immigration			
27 Immigration	21,448,000	34,531,600	23,022,481
29 Registry General	1,472,000	1,621,150	1,528,649
44 Ministry of Labour & Immigration HQ	-	-	1,400
	22,920,000	36,152,750	24,552,530
Ministry of the Environment, Telecommunications & E-Commerce			
32 Department of Planning	2,203,000	1,371,278	1,133,189
43 Information Technology Office	-	7,492	3,722
46 Telecommunications	9,711,000	11,295,248	10,763,238
50 Ministry of the Environment HQ	12,000	19,125	11,425
68 Parks	259,000	285,709	260,516
69 Conservation Services	951,000	928,818	857,041
72 Environmental Protection	529,000	549,663	600,408
	13,665,000	14,457,333	13,629,539
Ministry of Community & Cultural Affairs			
18 Libraries	21,000	17,518	16,974
52 Community and Cultural Affairs	346,000	248,375	306,801
56 Human Affairs	-	1,363	6,373
86 Ministry of Community & Cultural Affairs HQ	-	3,482	-
	367,000	270,738	330,148
Ministry of Social Rehabilitation			
23 Child & Family Services	193,000	155,633	177,006
55 Financial Assistance	-	-	15,934
88 National Drug Control	-	1,000	-
	193,000	156,633	192,940
Ministry of Public Safety & Housing			
06 Defence	-	71,247	154,346
07 Police	504,000	412,896	384,242
13 Post Office	7,984,000	6,909,945	7,787,768
25 Department of Corrections	-	34	-
42 Rent Commissioner	1,000	377	308
45 Fire Services	2,015,000	1,006,138	1,053,519
54 Security Services & Delegated Affairs	-	-	35
	10,504,000	8,400,637	9,380,218
Ministry of Works & Engineering			
36 Works & Engineering	12,685,000	9,276,249	9,001,236
	12,685,000	9,276,249	9,001,236
TOTAL REVENUE	835,613,000	883,711,019	814,086,932

Government of Bermuda - Consolidated Fund
Schedule 11(a): Interdepartmental Revenue By Ministry / Department

For the year ended March 31	2007 Interdepartmental Revenue	2007 Gross Revenue Actual	2007 Net Revenue
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	288	5,623	5,335
05 Office of the Auditor General	12,000	468,500	456,500
63 Parliamentary Registrar	250	111,047	110,797
	12,538	585,170	572,632
Cabinet Office Departments			
09 Cabinet Office	-	12,979	12,979
14 Department of Statistics	1,152	900	(252)
30 Marine & Ports Services	1,542	5,597,492	5,595,950
31 Airport Operations	85,000	12,296,304	12,211,304
33 Tourism	-	55,351	55,351
34 Transport Control Department	3	27,195,707	27,195,704
35 Public Transportation Board	81,984	8,286,154	8,204,170
51 Dept. of Communication & Information	627	1,630	1,003
57 Civil Aviation	-	7,363,559	7,363,559
73 Maritime Administration	-	2,812,756	2,812,756
	170,308	63,622,832	63,452,524
Ministry of Justice			
02 Legislature	-	8,238	8,238
03 Judicial Department	9,082	6,676,891	6,667,809
04 Attorney-General's Chambers	-	9,937	9,937
75 Department of Public Prosecutions	17,969	970	(16,999)
	27,051	6,696,036	6,668,985
Ministry of Finance			
10 Ministry of Finance HQ	-	2,619	2,619
11 Accountant-General	-	5,786,236	5,786,236
12 Customs	2,293,943	234,444,124	232,150,181
38 Office of the Tax Commissioner	93,335	445,887,559	445,794,224
39 Registrar of Companies	76	56,027,345	56,027,269
	2,387,354	742,147,883	739,760,529
Ministry of Education, Sports & Recreation			
17 Department of Education	1,300	190,983	189,683
19 Archives	54	2,718	2,664
20 Youth, Sport & Recreation	11,857	690,314	678,457
	13,211	884,015	870,804
Ministry of Health			
21 Ministry of Health HQ	-	2,109	2,109
22 Health Department	14,458	1,058,634	1,044,176
	14,458	1,060,743	1,046,285

Government of Bermuda - Consolidated Fund
Schedule 11(a): Interdepartmental Revenue By Ministry / Dept (cont'd)

For the year ended March 31	2007 Interdepartmental Revenue	2007 Gross Revenue Actual	2007 Net Revenue
	\$	\$	\$
Ministry of Labour & Immigration			
27 Immigration	3,166	34,531,600	34,528,434
29 Registry General	109,262	1,621,150	1,511,888
	112,428	36,152,750	36,040,322
Ministry of the Environment, Telecommunications & E-Commerce			
32 Department of Planning	24,391	1,371,278	1,346,887
43 Information Technology Office	182	7,492	7,310
46 Telecommunications	-	11,295,248	11,295,248
50 Ministry of the Environment	-	19,125	19,125
68 Parks	-	285,709	285,709
69 Conservation Services	3,374	928,818	925,444
72 Environmental Protection	3,561	549,663	546,102
	31,508	14,457,333	14,425,825
Ministry of Community & Cultural Affairs			
18 Libraries	504	17,518	17,014
52 Community and Cultural Affairs	25,764	248,375	222,611
56 Human Affairs	-	1,363	1,363
86 Ministry of Community & Cultural Affairs	-	3,482	3,482
	26,268	270,738	244,470
Ministry of Social Rehabilitation			
23 Child & Family Services	10,857	155,633	144,776
88 National Drug Control	-	1,000	1,000
	10,857	156,633	145,776
Ministry of Public Safety & Housing			
06 Defence	-	71,247	71,247
07 Police	16,406	412,896	396,490
13 Post Office	53,651	6,909,945	6,856,294
25 Corrections	652	377	(275)
42 Rent Commissioner	-	34	34
45 Fire Services	13,990	1,006,138	992,148
	84,699	8,400,637	8,315,938
Ministry of Works & Engineering			
36 Works & Engineering	614,185	9,276,249	8,662,064
	614,185	9,276,249	8,662,064
TOTAL REVENUE	3,504,865	883,711,019	880,206,154

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure By Ministry / Department

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	1,464,000	1,238,561	1,064,996
05 Office of the Auditor General	2,359,000	2,222,077	2,219,355
08 Public Service Commission	79,000	70,785	72,288
63 Parliamentary Registrar	666,000	588,055	324,930
85 Ombudsman's Office	607,000	880,355	378,278
	5,175,000	4,999,833	4,059,847
Cabinet Office Departments			
09 Cabinet Office	4,383,000	3,887,859	3,096,185
14 Department of Statistics	2,932,000	2,307,020	2,147,431
15 Department of Management Services	1,090,000	959,688	888,306
26 Department of Human Resources	6,230,000	4,006,549	3,902,672
30 Marine & Ports	17,870,000	19,404,746	17,559,092
31 Airport Operations	22,374,000	24,968,209	17,404,874
33 Department of Tourism	40,069,000	40,938,344	38,439,561
34 Transport Control Department	4,396,000	4,135,989	3,331,476
35 Public Transportation Board	19,106,000	20,334,219	18,209,385
48 Ministry of Transport HQ	2,608,000	1,270,707	619,697
51 Department of Communication & Information	1,754,000	1,682,286	1,460,644
57 Civil Aviation	3,326,000	3,377,375	2,636,324
73 Maritime Administration	1,421,000	1,717,846	1,095,542
	127,559,000	128,990,837	110,791,189
Ministry of Justice			
02 Legislature	4,970,000	4,173,387	3,450,655
03 Judicial Department	9,918,000	8,922,506	7,843,882
04 Attorney-General's Chambers	4,253,000	3,812,468	2,809,050
62 Legislative Affairs	-	-	10,910
75 Department of Public Prosecutions	2,122,000	1,169,902	2,029,705
87 Ministry of Justice HQ	614,000	447,242	-
	21,877,000	18,525,505	16,144,202
Ministry of Finance			
10 Ministry of Finance HQ	8,298,000	8,479,360	4,543,155
11 Accountant-General	49,254,000	52,545,345	44,458,758
Retirement Benefit Expenditures	-	81,528,958	135,395,246
12 Customs	18,573,000	15,062,987	12,780,375
28 Department of Social Insurance	2,590,000	6,500,178	4,925,094
38 Office of the Tax Commissioner	3,095,000	4,950,783	5,628,207
39 Registrar of Companies	5,062,000	4,239,461	5,098,038
58 Interest on Debt	11,700,000	13,929,104	10,546,686
59 Sinking Fund Contribution	3,800,000	-	-
	102,372,000	187,236,176	223,375,559
Ministry of Education, Sports & Recreation			
17 Department of Education	114,730,000	118,863,453	109,363,323
19 Department of Archives	1,711,000	1,009,013	772,457
20 Youth, Sport & Recreation	14,767,000	13,399,866	11,179,491
41 Bermuda College	17,254,000	17,254,000	14,982,000
	148,462,000	150,526,332	136,297,271

**Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure By Ministry / Department (cont'd)**

For the year ended March 31	2007 Original Estimates	2007 Actual	2006 Actual
	\$	\$	\$
Ministry of Health			
21 Ministry of Health HQ	5,380,000	4,993,106	6,464,139
22 Health Department	27,009,000	24,540,088	22,406,779
24 Hospitals	97,527,000	100,202,660	92,369,534
	129,916,000	129,735,854	121,240,452
Ministry of Labour & Immigration			
27 Immigration	3,803,000	3,977,229	3,613,436
29 Registry General	1,916,000	1,656,193	1,564,280
44 Ministry of Labour & Immigration HQ	1,421,000	1,383,292	972,483
60 Labour & Training	2,963,000	2,850,296	2,415,109
	10,103,000	9,867,010	8,565,308
Ministry of the Environment, Telecommunications & E-Commerce			
32 Department of Planning	3,899,000	3,086,118	2,766,100
43 Information Technology Office	6,578,000	6,154,923	5,146,621
46 Telecommunications	1,869,000	2,013,983	1,561,672
49 Land Valuation	729,000	601,411	511,383
50 Ministry of the Environment HQ	652,000	689,370	550,187
67 E-Commerce	1,304,000	1,039,036	627,003
68 Parks	11,018,000	9,970,958	9,376,655
69 Conservation Services	5,298,000	4,576,516	4,165,762
72 Environmental Protection	4,018,000	3,830,368	3,429,111
84 E-Government	1,044,000	943,109	505,521
	36,409,000	32,905,792	28,640,015
Ministry of Community & Cultural Affairs			
18 Libraries	1,952,000	1,929,478	1,856,843
52 Community & Cultural Affairs	3,940,000	3,329,267	3,214,158
56 Human Affairs	3,078,000	2,532,147	2,390,615
86 Ministry of Community & Cultural Affairs HQ	456,000	361,888	-
	9,426,000	8,152,780	7,461,616
Ministry of Social Rehabilitation			
23 Child & Family Services	11,476,000	12,487,052	10,182,012
55 Financial Assistance	17,083,000	17,771,795	16,144,294
74 Court Services	4,670,000	3,813,736	3,785,930
88 National Drug Control	4,032,000	4,057,153	-
	37,261,000	38,129,736	30,112,236
Ministry of Public Safety & Housing			
06 Defence	5,918,000	5,800,221	5,466,021
07 Police	53,977,000	54,752,076	48,190,048
13 Post Office	12,923,000	12,710,102	11,846,099
25 Corrections	24,695,000	23,355,355	24,451,409
42 Rent Commissioner	567,000	489,645	492,047
45 Fire Services	9,585,000	8,596,887	8,249,596
53 Bermuda Housing Corporation	3,699,000	3,699,001	3,199,000
54 Security Services & Delegated Affairs	212,000	132,496	87,890
83 Ministry of Public Safety & Housing HQ	-	49,608,172	-
	111,576,000	159,143,955	101,982,110
Ministry of Works & Engineering			
36 Works & Engineering	65,989,000	66,590,599	63,500,278
Amortization	-	17,801,884	15,229,310
	65,989,000	84,392,483	78,729,588
TOTAL CURRENT EXPENDITURE	806,125,000	952,606,293	867,399,393

Government of Bermuda - Consolidated Fund
Schedule 12(a): Interdepartmental Current Expenditure By Ministry/Department

For the year ended March 31

	2007 Interdepartmental Expenditure	2007 Actual Gross Expenditure	2007 Net Expenditure
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	12,433	1,238,561	1,226,128
05 Office of the Auditor General	9,864	2,222,077	2,212,213
08 Public Service Commission	-	70,785	70,785
63 Parliamentary Registrar	3,681	588,055	584,374
85 Ombudsman's Office	1,103	880,355	879,252
	27,081	4,999,833	4,972,752
Cabinet Office Departments			
09 Cabinet Office	2,445	3,887,859	3,885,414
14 Department of Statistics	875	2,307,020	2,306,145
15 Department of Management Services	-	959,688	959,688
26 Department of Human Resources	1,825	4,006,549	4,004,724
30 Marine & Ports	35,618	19,404,746	19,369,128
31 Airport Operations	88,283	24,968,209	24,879,926
33 Department of Tourism	101,259	40,938,344	40,837,085
34 Transport Control Department	27,946	4,135,989	4,108,043
35 Public Transportation Board	1,317,023	20,334,219	19,017,196
48 Ministry of Transport HQ	-	1,270,707	1,270,707
51 Dept. of Communication & Information	70,330	1,682,286	1,611,956
57 Civil Aviation	5,845	3,377,375	3,371,530
73 Maritime Administration	790	1,717,846	1,717,056
	1,652,239	128,990,837	127,338,598
Ministry of Justice			
02 Legislature	180	4,173,387	4,173,207
03 Judicial Department	32,455	8,922,506	8,890,051
04 Attorney-General's Chambers	11,800	3,812,468	3,800,668
75 Department of Public Prosecutions	7,780	1,169,902	1,162,122
87 Ministry of Justice HQ	-	447,242	447,242
	52,215	18,525,505	18,473,290
Ministry of Finance			
10 Ministry of Finance HQ	10,087	8,479,360	8,469,273
11 Accountant-General	18,167	52,545,345	52,527,178
Retirement Benefit Expenditures	-	81,528,958	81,528,958
12 Customs	23,973	15,062,987	15,039,014
28 Department of Social Insurance	13,278	6,500,178	6,486,900
38 Office of the Tax Commissioner	112,730	4,950,783	4,838,053
39 Registrar of Companies	14,449	4,239,461	4,225,012
58 Interest on Debt	-	13,929,104	13,929,104
	192,684	187,236,176	187,043,492
Ministry of Education, Sports & Recreation			
17 Department of Education	17,162	118,863,453	118,846,291
19 Department of Archives	747	1,009,013	1,008,266
20 Youth, Sport & Recreation	64,571	13,399,866	13,335,295
41 Bermuda College	-	17,254,000	17,254,000
	82,480	150,526,332	150,443,852

Government of Bermuda - Consolidated Fund
Schedule 12(a): Interdepartmental Current Expenditure By Ministry/Department (cont'd)

For the year ended March 31	2007 Interdepartmental Expenditure	2007 Actual Gross Expenditure	2007 Net Expenditure
	\$	\$	\$
Ministry of Health			
21 Ministry of Health HQ	47,350	4,993,106	4,945,756
22 Health Department	57,471	24,540,088	24,482,617
24 Hospitals	-	100,202,660	100,202,660
	104,821	129,735,854	129,631,033
Ministry of Labour & Immigration			
27 Immigration	4,508	3,977,229	3,972,721
29 Registry General	2,611	1,656,193	1,653,582
44 Ministry of Labour & Immigration HQ	50	1,383,292	1,383,242
60 Labour & Training	295	2,850,296	2,850,001
	7,464	9,867,010	9,859,546
Ministry of the Environment, Telecommunications & E-Commerce			
32 Department of Planning	368	3,086,118	3,085,750
43 Information Technology Office	4,854	6,154,923	6,150,069
46 Telecommunications	3,635	2,013,983	2,010,348
49 Land Valuation	-	601,411	601,411
50 Ministry of the Environment HQ	1,605	689,370	687,765
67 E-Commerce	-	1,039,036	1,039,036
68 Parks	123,427	9,970,958	9,847,531
69 Conservation Services	47,981	4,576,516	4,528,535
72 Environmental Protection	6,101	3,830,368	3,824,267
84 E-Government	-	943,109	943,109
	187,971	32,905,792	32,717,821
Ministry of Community & Cultural Affairs			
18 Libraries	2,225	1,929,478	1,927,253
52 Community & Cultural Affairs	8,318	3,329,267	3,320,949
56 Human Affairs	821	2,532,147	2,531,326
86 Ministry of Community & Cultural Affairs HQ	-	361,888	361,888
	11,364	8,152,780	8,141,416
Ministry of Social Rehabilitation			
23 Child & Family Services	30,085	12,487,052	12,456,967
55 Financial Assistance	64,972	17,771,795	17,706,823
71 Ministry of Social Rehabilitation HQ	65	-	(65)
74 Court Services	3,755	3,813,736	3,809,981
88 National Drug Control	58,043	4,057,153	3,999,110
	156,920	38,129,736	37,972,816
Ministry of Public Safety & Housing			
06 Defence	2,969	5,800,221	5,797,252
07 Police	125,341	54,752,076	54,626,735
13 Post Office	11,287	12,710,102	12,698,815
25 Corrections	149,811	23,355,355	23,205,544
42 Rent Commissioner	275	489,645	489,370
45 Fire Services	3,109	8,596,887	8,593,778
53 Bermuda Housing Corporation	-	3,699,001	3,699,001
54 Security Services & Delegated Affairs	-	132,496	132,496
83 Ministry of Public Safety & Housing HQ	115	49,608,172	49,608,057
	292,907	159,143,955	158,851,048
Ministry of Works & Engineering			
36 Works & Engineering	736,719	66,590,599	65,853,880
Amortization	-	17,801,884	17,801,884
	736,719	84,392,483	83,655,764
TOTAL CURRENT EXPENDITURE	3,504,865	952,606,293	949,101,428

Government of Bermuda - Consolidated Fund
Schedule 13: Schedules of Tangible Capital Assets and Work in Process

As at March 31

	Estimated Useful Life	Original Value	Net Additions	Accumulated Amortization	Current Amortization	31-Mar-07 Net Book Value	31-Mar-06 Net Book Value
Tangible Capital Assets							
Land		43,738,368	1,750,000	-	-	45,488,368	43,738,368
Buildings & Betterments	40 years	294,284,538	164,910,857	(75,582,575)	(9,032,185)	374,580,635	218,589,464
Vehicles & Heavy Equipment	Varied	55,172,787	4,213,169	(39,633,119)	(4,377,631)	15,375,206	14,184,178
Vessels	Varied	28,799,857	6,827,718	(19,002,246)	(1,768,283)	14,857,046	9,165,612
Computer Software (Note 16)	10 years	-	4,604,896	(33,532)	(165,927)	4,405,437	-
Office Equipment (Note 16)	5 years	-	4,453,086	(430,501)	(544,073)	3,478,512	-
Computer Hardware (Note 16)	3 years	-	4,380,490	(96,236)	(858,791)	3,425,463	-
Capital Leases	3 - 5 years	2,414,783	342,793	(713,994)	(896,627)	1,146,955	1,012,834
Furniture & Fixtures (Note 16)	7 years	-	1,497,345	(234,473)	(158,367)	1,104,505	-
Total Tangible Capital Assets		424,410,333	192,980,354	(135,726,676)	(17,801,884)	463,862,127	286,690,456
Work In Process		154,985,935	(139,046,227)	-	-	15,939,708	154,985,935

Government of Bermuda - Consolidated Fund
Schedule 14: Capital Development Expenditure By Ministry / Department

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$
Cabinet Office Department		
30 Marine & Ports	-	25,640
31 Airport Operations	1,715,326	2,791,108
34 Transport Control Department	1,075,155	-
35 Public Transportation Board	26,729	(18,034)
48 Ministry of Transport HQ	-	250,559
	2,817,210	3,049,273
Ministry of Justice		
02 Legislature	15,498	-
	15,498	-
Ministry of Education, Sports & Recreation		
17 Department of Education	5,003,644	1,711,239
19 Archives	5,344	13,183
20 Youth, Sport & Recreation	10,413,766	7,000,037
41 Bermuda College	300,000	-
	15,722,754	8,724,459
Ministry of Health		
22 Health Department	(82,106)	(41,239)
24 Hospitals	974,068	762,325
	891,962	721,086
Ministry of Labour & Immigration		
27 Immigration	-	871
	-	871
Ministry of the Environment, Telecommunications & E-Commerce		
46 Telecommunications	230,322	-
50 Ministry of the Environment HQ	388,093	1,090,693
68 Parks	1,089,465	602,813
69 Conservation Services	270,464	29,533
72 Environmental Protection	36,999	-
	2,015,343	1,723,039
Ministry of Public Safety & Housing		
06 Defence	(166,455)	-
07 Police	65,119	(170,116)
13 Post Office	13,094	-
25 Department of Corrections	486,310	334,817
54 Security Services & Delegated Affairs	50,461	6,417
83 Ministry of Public Safety & Housing HQ	6,060,194	-
	6,508,723	171,118
Ministry of Works & Engineering		
36 Works & Engineering	21,843,874	12,915,022
	21,843,874	12,915,022
TOTAL CAPITAL DEVELOPMENT	49,815,364	27,304,868

Government of Bermuda - Consolidated Fund
Schedule 15: Capital Acquisition Expenditure By Ministry / Department

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$
Non-Ministry Departments		
05 Office of the Auditor General	15,809	14,172
63 Parliamentary Registrar	25,519	35,105
85 Ombudsman's Office	-	48,763
	41,328	98,040
Cabinet Office Departments		
09 Cabinet Office	(269)	13,704
14 Department of Statistics	9,786	12,970
15 Department of Management Services	-	3,640
26 Department of Human Resources	16,912	-
30 Marine & Ports	352,189	278,435
31 Airport Operations	162,674	568,449
33 Tourism	800,000	-
34 Transport Control Department	170,840	371,664
35 Public Transportation Board	288,544	13,749
51 Department of Communication & Information	392,601	40,305
57 Civil Aviation	204,512	252,720
73 Maritime Administration	11,912	71,375
	2,409,701	1,627,011
Ministry of Justice		
02 Legislature	56,821	13,296
03 Judicial Department	25,652	108,384
04 Attorney-General's Chambers	7,731	71,074
75 Department of Public Prosecutions	18,655	57,532
	108,859	250,286
Ministry of Finance		
10 Ministry of Finance HQ	64,398	261,162
11 Accountant General	47,635	37,625
12 Customs	333,286	761,043
38 Office of the Tax Commissioner	239,119	550,236
	684,438	1,610,066
Ministry of Education, Sports & Recreation		
17 Department of Education	1,679,274	8,298,455
19 Archives	31,818	58,008
20 Youth, Sport & Recreation	85,573	24,020
	1,796,665	8,380,483
Ministry of Health		
21 Ministry of Health HQ	65,844	82,796
22 Health Department	1,069,720	817,782
24 Hospitals	45,000	-
	1,180,564	900,578

Government of Bermuda - Consolidated Fund
Schedule 15: Capital Acquisition Expenditure By Ministry / Department
(cont'd)

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$
Ministry of Labour & Immigration		
27 Immigration	19,367	216,308
29 Registry General	6,505	370,106
44 Ministry of Labour & Immigration HQ	6,499	-
60 Labour & Training	13,818	-
	46,189	586,414
Ministry of the Environment, Telecommunications & E-Commerce		
32 Department of Planning	60,090	137,063
43 Information Technology Office	1,497,035	2,663,474
46 Telecommunications	9,642	6,440
49 Land Valuation	262,823	10,000
50 Ministry of the Environment HQ	-	5,500
67 E-Commerce	53,220	92,400
68 Parks	82,434	124,146
69 Conservation Services	20,263	61,368
72 Environmental Protection	29,265	184,028
84 E-Government	120,103	1,276,334
	2,134,875	4,560,753
Ministry of Community & Cultural Affairs		
18 Libraries	17,150	17,712
52 Community & Cultural Affairs	2,095	-
56 Human Affairs	15,771	41,920
	35,016	59,632
Ministry of Social Rehabilitation		
23 Child & Family Services	22,465	34,942
55 Financial Assistance	9,680	26,880
74 Department of Court Services	21,080	20,072
	53,225	81,894
Ministry of Public Safety & Housing		
07 Police	2,376,052	1,344,029
13 Post Office	292,887	184,907
25 Department of Corrections	14,495	167,223
45 Fire Services	205,539	609,477
	2,888,973	2,305,636
Ministry of Works & Engineering		
36 Works & Engineering	883,696	1,734,717
	883,696	1,734,717
TOTAL CAPITAL ACQUISITION	12,263,529	22,195,510

Government of Bermuda - Consolidated Fund
Schedule 16: Current Expenditure - Estimates Compared to Actual

For the year ended March 31

	Actual	For Appropriation *	Adjusted Estimates	Under (Over) Spent
	\$	\$	\$	\$
Non-Ministry Departments				
01 Governor & Staff	1,238,561	1,238,561	1,516,946	278,385
05 Office of the Auditor General	2,222,077	2,222,077	2,359,099	137,022
08 Public Service Commission	70,785	70,785	79,284	8,499
63 Parliamentary Registrar	588,055	588,055	666,187	78,132
85 Ombudsman's Office	880,355	880,355	892,252	11,897
	<u>4,999,833</u>	<u>4,999,833</u>	<u>5,513,768</u>	<u>513,935</u>
Cabinet Office Departments				
09 Cabinet Office	3,887,859	3,887,859	5,003,489	1,115,630
14 Department of Statistics	2,307,020	2,307,020	2,732,035	425,015
15 Department of Management Services	959,688	959,688	1,089,703	130,015
26 Department of Human Resources	4,006,549	4,006,549	5,809,373	1,802,824
30 Marine & Ports	19,404,746	19,409,347	18,650,209	(759,138)
31 Airport Operations	24,968,209	25,001,449	24,626,692	(374,757)
33 Department of Tourism	40,938,344	40,938,344	39,923,668	(1,014,676)
34 Transport Control Department	4,135,989	4,135,989	4,396,152	260,163
35 Public Transportation Board	20,334,219	20,334,219	20,075,821	(258,398)
48 Ministry of Transport HQ	1,270,707	1,270,707	1,908,273	637,566
51 Dept. of Communication & Information	1,682,286	1,682,286	1,753,658	71,372
57 Civil Aviation	3,377,375	3,382,400	3,495,783	113,383
73 Maritime Administration	1,717,846	1,717,846	1,932,196	214,350
	<u>128,990,837</u>	<u>129,033,703</u>	<u>131,397,052</u>	<u>2,363,349</u>
Ministry of Justice				
02 Legislature	4,173,387	4,173,387	4,969,813	796,426
03 Judicial Department	8,922,506	8,847,191	9,924,760	1,077,569
04 Attorney-General's Chambers	3,812,468	3,812,468	4,246,462	433,994
75 Department of Public Prosecutions	1,169,902	1,169,902	2,122,450	952,548
87 Ministry of Justice HQ	447,242	447,242	613,576	166,334
	<u>18,525,505</u>	<u>18,450,190</u>	<u>21,877,061</u>	<u>3,426,871</u>
Ministry of Finance				
10 Ministry of Finance HQ	8,479,360	8,479,360	8,498,420	19,060
11 Accountant-General	52,545,345	52,545,345	49,254,057	(3,291,288)
Retirement Benefit Expenditures	81,528,958	-	-	-
12 Customs	15,062,987	15,067,711	18,373,302	3,305,591
28 Social Insurance	6,500,178	6,500,178	2,590,183	(3,909,995)
38 Office of the Tax Commissioner	4,950,783	2,880,427	3,095,199	214,772
39 Registrar of Companies	4,239,461	4,342,165	5,062,418	720,253
58 Interest on Debt	13,929,104	13,929,104	14,250,000	320,896
59 Sinking Fund Contribution	-	4,387,500	4,400,000	12,500
	<u>187,236,176</u>	<u>108,131,790</u>	<u>105,523,579</u>	<u>(2,608,211)</u>
Ministry of Education, Sports & Recreation				
17 Department of Education	118,863,453	117,573,219	119,170,667	1,597,448
19 Department of Archives	1,009,013	1,009,013	992,978	(16,035)
20 Youth, Sport & Recreation	13,399,866	13,399,886	14,216,790	816,904
41 Bermuda College	17,254,000	17,254,000	17,253,548	(452)
	<u>150,526,332</u>	<u>149,236,118</u>	<u>151,633,983</u>	<u>2,397,865</u>
Ministry of Health				
21 Ministry of Health HQ	4,993,106	4,993,106	5,294,609	301,503
22 Health Department	24,540,088	24,547,160	26,448,630	1,901,470
24 Hospitals	100,202,660	100,202,660	98,932,069	(1,270,591)
	<u>129,735,854</u>	<u>129,742,926</u>	<u>130,675,308</u>	<u>932,382</u>

* Adjusted for Non-Budgeted, Non-Cash Items

Government of Bermuda - Consolidated Fund
Schedule 16: Current Expenditure - Estimates Compared to Actual (cont'd)

For the year ended March 31

	Actual	For Appropriation*	Adjusted Estimates	Under (Over) Spent
	\$	\$	\$	\$
Ministry of Labour & Immigration				
27 Immigration	3,977,229	3,977,229	4,060,414	83,185
29 Registry General	1,656,193	1,656,193	1,836,215	180,022
44 Ministry of Labour & Immigration HQ	1,383,292	1,383,292	1,460,724	77,432
60 Labour & Training	2,850,296	2,850,296	2,862,514	12,218
	9,867,010	9,867,010	10,219,867	352,857
Ministry of the Environment, Telecommunications & E-Commerce				
32 Department of Planning	3,086,118	3,086,118	3,899,361	813,243
43 Information Technology Office	6,154,923	6,154,923	6,577,662	422,739
46 Telecommunications	2,013,983	2,013,983	1,869,090	(144,893)
49 Land Valuation	601,411	601,411	728,752	127,341
50 Ministry of the Environment HQ	689,370	689,370	651,575	(37,795)
67 E-Commerce	1,039,036	1,039,036	1,303,939	264,903
68 Parks	9,970,958	9,970,958	11,012,764	1,041,806
69 Conservation Services	4,576,516	4,576,516	5,303,014	726,498
72 Environmental Protection	3,830,368	3,860,790	4,018,025	157,235
84 E-Government	943,109	943,109	1,044,333	101,224
	32,905,792	32,936,214	36,408,515	3,472,301
Ministry of Community & Cultural Affairs				
18 Libraries	1,929,478	1,929,478	1,952,235	22,757
52 Community & Cultural Affairs	3,329,267	3,329,267	3,939,764	610,497
56 Human Affairs	2,532,147	2,532,147	3,077,921	545,774
86 Ministry of Community & Cultural Affairs HQ	361,888	361,888	456,211	94,323
	8,152,780	8,152,780	9,426,131	1,273,351
Ministry of Social Rehabilitation				
23 Child & Family Services	12,487,052	12,486,663	11,476,389	(1,010,274)
55 Financial Assistance	17,771,795	17,774,343	17,082,796	(691,547)
74 Court Services	3,813,736	3,813,736	4,660,778	847,042
88 National Drug Control	4,057,153	4,057,153	5,232,101	1,174,948
	38,129,736	38,131,895	38,452,064	320,169
Ministry of Public Safety & Housing				
06 Defence	5,800,221	5,800,221	5,618,187	(182,034)
07 Police	54,752,076	54,733,759	56,024,401	1,290,642
13 Post Office	12,710,102	12,710,102	12,922,921	212,819
25 Corrections	23,355,355	23,355,355	25,135,264	1,779,909
42 Rent Commissioner	489,645	489,645	566,549	76,904
45 Fire Services	8,596,887	8,596,887	9,936,658	1,339,771
53 Bermuda Housing Corporation	3,699,001	3,699,001	3,699,180	179
54 Security Services & Delegated Affairs	132,496	132,496	171,588	39,092
83 Ministry of Public Safety & Housing HQ	49,608,172	49,608,172	120,000	(49,488,172)
	159,143,955	159,125,638	114,194,748	(44,930,890)
Ministry of Works & Engineering				
36 Works & Engineering	66,590,599	66,578,677	71,066,685	4,488,008
Amortization	17,801,884	-	-	-
	84,392,483	66,578,677	71,066,685	4,488,008
TOTAL CURRENT EXPENDITURE	952,606,293	854,386,774	826,388,761	(27,998,013)

* Adjusted for Non-Budgeted, Non-Cash Items

**Government of Bermuda - Consolidated Fund
Schedule 17: Commitments - Legislated**

For the year ended March 31	2007	2006
	Actual	Actual
	\$	\$

Unspent Capital Appropriations

In accordance with Section 6 of the Appropriations Act 2007, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:

Capital Development	69,426,334	53,757,758
Capital Acquisition	13,368,132	17,005,570
	82,794,466	70,763,328

Total Authorized Funding

Total Authorized Funding represents the estimated total cost of continuing capital development projects and is subject to the voting of supply by the Legislature. Estimated future expenditure for continuing capital development projects is as follows:

Total Authorized Funding	766,289,000	623,821,579
Appropriated Capital Development	(411,908,363)	(362,233,212)
Unappropriated Capital Development	354,380,637	261,588,367

**Government of Bermuda - Consolidated Fund
Schedule 18: Public Debt - Legislated Limit**

As at March 31	2007	2006
	Actual	Actual
	\$	\$

The Government Loans Act 1978, as amended, defines public debt as debt owed or guaranteed by the Consolidated Fund.

Section 2A(1) of the Act limits public debt (net of sinking fund assets) to \$375 million.

Debt (Schedule 8)	255,000,000	225,000,000
National Education Guarantees (Note 10(a))	1,498,073	1,797,818
	256,498,073	226,797,818
Sinking Fund (Schedule 8)	58,339,123	51,575,744
Public Debt	198,158,950	175,222,074
Legislated Limit	375,000,000	375,000,000
Available Limit	176,841,050	199,777,926