

**Consolidated Budget of the
Government Reporting Entity
2023-2024**

Consolidated Budget of the Government Reporting Entity 2023-2024

April 2023

Iqaluit, Nunavut

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GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF THE GOVERNMENT REPORTING ENTITY
2023-2024

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SECTION I

CONSOLIDATED BUDGET OF THE GOVERNMENT REPORTING ENTITY

INTRODUCTION: Consolidated Budget of the Government Reporting Entity 2023-2024

Public Sector Accounting Standards require the government reporting entity to consolidate its total budget on a line-by-line basis using the same accounting principles and presentation as it uses to report its actual financial results. This document provides the consolidated budget for the Government of Nunavut reporting entity.

The Government Reporting Entity is made up of all government organizations and controlled entities. *Control* is defined as the power to govern the financial and operating policies of an organization with the benefits from the organization's activities being expected and the risk of loss being assumed by the Government.

The Government of Nunavut reporting entity consists of all departments and revolving funds (also referred to as the "core government" in this document) as well as public agencies and territorial corporations.

Main Estimates and Capital Estimates

The Main Estimates and the Capital Estimates present the approved appropriations for the Government of Nunavut for the 2023-2024 fiscal year beginning on April 1st. These are considered non-consolidated because they combine only the appropriations of the core government and report the controlled entities separately.

This *consolidated budget* combines the non-consolidated Main Estimates with the budgets of the other entities of the government reporting entity. The inter-entity budget transactions are eliminated upon consolidation.

Budget Consolidation Process

Budget consolidation is a collaborative process to compile budget information from across the government reporting entity. The first stage of the process is to reconcile related party budget transactions that coincide with the preparation of the three-year forecast. The next stage is to eliminate inter-entity transactions. The final step is to combine the budgets of each entity to create this document.

Consolidated Budget Summary

The consolidated budget reveals the government reporting entity's projected budget performance.

SECTION II

CONSOLIDATED STATEMENTS

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2023

(in thousands of dollars)

	Estimates 2023-2024	Estimates 2022-2023	Actual 2021-2022
Revenues (Schedule A)			
From the Government of Canada	2,557,503	2,382,443	2,347,240
Revenues generated by the Government of Nunavut	537,193	457,402	469,505
Total revenues	3,094,696	2,839,845	2,816,745
Expenses (Schedule B)			
Office of the Legislative Assembly	30,082	29,534	27,072
Executive and Intergovernmental Affairs	28,110	27,756	78,542
Finance (Note 1)	146,123	132,793	181,700
Human Resources	34,122	32,855	23,183
Justice	175,140	173,104	145,142
Culture and Heritage	38,588	37,082	29,860
Education	337,353	298,645	307,415
Health	683,446	637,121	659,883
Environment	34,270	30,176	29,051
Community and Government Services (Note 1)	609,330	503,507	464,560
Economic Development and Transportation (Note 1)	179,771	160,961	121,003
Family Services	188,505	177,661	164,140
Nunavut Housing Corporation	346,305	297,119	316,374
Qulliq Energy Corporation (Notes 2,5)	60,302	63,613	-
Nunavut Arctic College (Notes 3,5)	56,393	54,600	-
Unallocated (Note 4)	50,000	75,000	-
Total expenses	2,997,840	2,731,527	2,547,925
Surplus (Deficit) for year	96,856	108,318	268,820
Accumulated Surplus, beginning of year	3,446,950	3,338,632	3,069,812
Accumulated Surplus, end of year	3,543,806	3,446,950	3,338,632

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Consolidated Statement of Operations and Net Assets

For the year ended March 31, 2023

(in thousands of dollars)

Note 1: Expenses of entities are allocated in the table above as follows: Nunavut Business Credit Corporation and Nunavut Development Corporation expenses to Economic Development Transportation. Revolving funds expenses are allocated as follows: Nunavut Liquor and Cannabis Revolving Fund to Finance, Petroleum Products Revolving Fund to Community and Government Services.

Note 2: This represents the budgeted expenses after deducting the inter-entity transactions. The amount of costs eliminated in delivering power services to related entities is \$78.684 million, and the amount of fuel and property taxes eliminated is \$2.851 million.

Note 3: This includes the \$2.3 million capital expenditures appropriated under Finance that pertain to the College and the amortization expense of \$6.278 million.

Note 4: The unallocated appropriation pertains to amounts set aside for contingencies.

Note 5: For the purposes of this presentation, Qulliq Energy Corporation and Nunavut Arctic College are separated out as their own entities. In the Public Accounts, the College is incorporated with the Department of Education; the Qulliq Energy Corporation, with the Department of Finance.

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2023

(in thousands of dollars)

	Estimates 2023-2024	Estimates 2022-2023	Actual 2021-2022
Surplus (deficit) for year	96,856	108,318	268,820
Tangible capital assets (Schedule D)			
Additions	(208,341)	(187,806)	(263,094)
Disposals	5,476	5,476	1,791
Write-downs	1,475	3,568	-
Amortization	149,795	140,495	142,413
Tangible capital assets	(51,595)	(38,267)	(118,890)
Additions to inventories for use	(12,496)	(11,519)	(66,165)
Consumption of inventories for use	11,679	11,167	61,976
Reclassification of condominiums for resale	-	-	-
Purchases of condominiums for resale	-	-	-
Disposals of condominiums for resale	-	-	-
Net (additions) use of prepaid expenses	-	-	(660)
Increase (decrease) in net financial assets	44,444	69,699	145,081
Net financial assets, beginning of year	617,352	547,653	402,572
Net financial assets, end of year	661,796	617,352	547,653

SECTION III

SCHEDULES

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY

SCHEDULE A

Revenue by Source

For the year ended March 31, 2023

(in thousands of dollars)

	Core Government	Other Entities	Budgeted Consolidation Adjustments (Note 3)	2023-2024 Consolidated Estimates
Revenues from the Government of Canada				
Territorial Formula Financing	1,971,400	-	-	1,971,400
Transfers under third-party funding agreements (Note 2)	378,842	9,744	-	388,586
Other transfer payments	141,500	56,017	-	197,517
Total revenues from the Government of Canada	2,491,742	65,761	-	2,557,503
Revenues from the Government of Nunavut	-	432,533	(432,533)	-
Revenues generated by the Government of Nunavut				
Taxation revenues				
Personal income tax	34,000	-	-	34,000
Corporate income tax	24,800	-	-	24,800
Payroll tax	43,200	-	-	43,200
Tobacco tax	22,100	-	-	22,100
Fuel tax	22,800	-	-	22,800
Property tax	14,800	-	-	14,800
Insurance tax	3,400	-	-	3,400
Cannabis tax	200	-	-	200
Total taxation revenue	165,300	-	-	165,300
Sales				
Petroleum Products Revolving Fund (Note 1)	236,115	-	(75,088)	161,027
Nunavut Liquor and Cannabis Revolving Fund (Note 1)	21,051	-	-	21,051
Nunavut Development Corporation	-	650	-	650
Qulliq Energy Corporation - power sales	-	143,197	(78,184)	65,013
Total sales	257,166	143,847	(153,272)	247,741
Other revenues				
Staff housing recoveries	21,200	-	-	21,200
Transfers under third-party funding agreements (Note 2)	4,330	-	-	4,330
Recoveries of prior years' expenditures	13,000	-	-	13,000
Other revenues	65,000	37,072	(16,450)	85,622
Total other revenues	103,530	37,072	(16,450)	124,152
Total revenues generated by the Government of Nunavut	525,996	180,919	(169,722)	537,193
Total revenues	3,017,738	679,213	(602,255)	3,094,696

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Revenue by Source

SCHEDULE A

For the year ended March 31, 2023

(in thousands of dollars)

Note 1: *The petroleum product sales and liquor and cannabis sales are presented at gross consistent with the presentation used in the Public Accounts. Petroleum Products Revolving Fund and Qulliq Energy Corporation sales are adjusted by the amount of sales to related entities, \$75,088 and \$78,184 respectively.*

Note 2: *The third party funding transfer from Government of Canada includes \$238,131 of operations and maintenance revenue on page A-IV-5 of the Main Estimates plus the \$175,678 of capital revenue on page A-IV-15 of the Capital Estimates, less the \$34,967 received by the Nunavut Housing Corporation. The third party funding from other sources of \$4,330 is 100% operations and maintenance revenue as per page A-IV-5 of the Main Estimates. Total transfer under third party-funding agreements included in this statement is \$378,842 versus \$418,139 on page XI of the Main Estimates, the difference of \$34,967 being the capital funding received by the Nunavut Housing Corporation.*

Note 3: *The consolidated revenue is adjusted to exclude contributions expected to be received by the territorial corporations from Nunavut Government (\$432,533); the budgeted fuel sales by Petroleum Product Division from related entities (\$75,088); the budgeted power sales generated by Qulliq Energy Corporation from GN and related entities(\$78,184); and other revenues estimated to be generated from the related parties (\$16,450).*

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Expenses by Department

SCHEDULE B

For the year ended March 31, 2023

(in thousands of dollars)

	Core Government	Other Entities (Note 2)	Budgeted Consolidation Adjustments	2023-2024 Consolidated Estimates
Expenses				
Office of the Legislative Assembly	30,082	-	-	30,082
Executive and Intergovernmental Affairs	28,110	-	-	28,110
Finance	146,123	-	-	146,123
Human Resources	34,122	-	-	34,122
Justice	175,140	-	-	175,140
Culture and Heritage	38,588	-	-	38,588
Education	337,353	-	-	337,353
Health	683,446	-	-	683,446
Environment	34,270	-	-	34,270
Community and Government Services (Note 3)	684,418	-	(75,088)	609,330
Economic Development and Transportation	179,175	5,419	(4,823)	179,771
Family Services	188,505	-	-	188,505
Nunavut Housing Corporation	367,754	353,583	(375,032)	346,305
Qulliq Energy Corporation	-	141,837	(81,535)	60,302
Nunavut Arctic College	48,896	73,274	(65,777)	56,393
<i>Unallocated (Note 4)</i>	50,000	-	-	50,000
Total expenses	3,025,982	574,113	(602,255)	2,997,840

Note 1: This summary includes amortization of \$149,795.

Note 2: Nunavut Business Credit Corporation and Nunavut Development Corporation expenses are allocated to Economic Development and Transportation in the table above.

Note 3: The budget adjustments for Community and Government Services relate to fuel purchases from the Petroleum Product Division by other entities.

Note 4: This unallocated appropriation pertains to amounts set aside for contingencies.

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY

SCHEDULE C

Expenses by Object

For the year ended March 31, 2023

(in thousands of dollars)

	Core Government	Other Entities	Budgeted Consolidation Adjustments	2023-2024 Consolidated Estimates
Expenses				
Operations and maintenance expenses				
Compensation and benefits	709,086	108,646	(27,364)	790,368
Grants and contributions	612,159	197,045	(321,523)	487,681
Other expenses (Note 1)	1,028,052	200,289	(67,270)	1,161,071
Cost of goods sold	214,511	704	(75,088)	140,127
Total operations and maintenance before amortization expenses	2,563,808	506,684	(491,245)	2,579,247
Plus: Amortization expenses on tangible capital assets	83,366	66,429	-	149,795
Total operations and maintenance expenses	2,647,174	573,113	(491,245)	2,729,042
Capital expenses				
Capital expenditures - GN funded	337,950	1,000	(111,010)	227,940
Capital expenditures - Third-party funded	140,711	-	-	140,711
Plus: capital carryovers from prior year	9,800	-	-	9,800
Less: Transfers to tangible capital assets	(109,653)	-	-	(109,653)
Total capital expenses	378,808	1,000	(111,010)	268,798
Total expenses	3,025,982	574,113	(602,255)	2,997,840

GOVERNMENT OF NUNAVUT
CONSOLIDATED BUDGET OF GOVERNMENT REPORTING ENTITY
Budgeted Changes in Net Financial Assets

SCHEDULE D

For the year ended March 31, 2023

(in thousands of dollars)

	Core Government	Other Entities	Budgeted Consolidation Adjustments	2023-2024 Consolidated Estimates
Surplus (deficit) for year	(8,244)	105,100	-	96,857
Tangible capital assets				
Additions	(109,652)	(98,689)	-	(208,341)
Disposals	45	5,431	-	5,476
Write-downs	1,475	-	-	1,475
Amortization	83,366	66,429	-	149,795
Tangible capital assets	(24,766)	(26,829)	-	(51,595)
Additions to inventories for use	(6,577)	(5,919)	-	(12,496)
Consumption of inventories for use	5,760	5,919	-	11,679
Net use (acquisitions) of prepaid assets	(500)	-	-	(500)
Change in net financial assets (debt)	(34,325)	78,271	-	43,946

SECTION IV
BUDGET SUMMARIES

GOVERNMENT OF NUNAVUT**BUDGET SUMMARY****Core Government - Departments and Revolving Funds**

For the year ended March 31, 2023

(in thousands of dollars)

	Estimates 2023-2024	Estimates 2022-2023	Actual 2021-2022
Revenues from the Government of Canada			
Territorial Formula Financing	1,971,400	1,859,400	1,782,111
Transfers under third-party funding agreements	378,842	362,360	361,313
Other transfer payments	141,500	120,600	135,185
Total revenues from the Government of Canada	2,491,742	2,342,360	2,278,609
Revenues generated by the Government of Nunavut			
Taxation revenues			
Personal income tax	34,000	33,900	41,253
Corporate income tax	24,800	20,500	13,230
Payroll tax	43,200	41,800	39,340
Tobacco tax	22,100	24,100	24,617
Fuel tax	22,800	24,000	18,947
Property tax	14,800	12,400	12,063
Insurance tax	3,400	2,900	2,904
Cannabis tax	200	200	-
Total taxation revenue	165,300	159,800	152,354
Sales			
Nunavut Liquor and Cannabis Commission	21,051	21,166	17,525
Petroleum Products Division	236,115	205,318	177,035
Total sales	257,166	226,484	194,560
Other revenues			
Staff housing recoveries	21,200	22,700	20,302
Recoveries of prior years' expenditures	13,000	11,000	16,769
Other revenues	65,000	31,000	33,432
Total other revenues	99,200	64,700	70,503
Total revenues generated by the Government of Nunavut	521,666	450,984	417,417
Transfers under third-party funding agreements	4,330	4,819	1,423
Total revenues	3,017,738	2,798,163	2,697,449
Expenses			
Compensation and benefits	709,086	669,071	636,243
Grants and contributions	612,159	571,641	576,774
Other expenses	1,028,052	988,025	954,773
Cost of goods sold	214,511	174,077	152,608
Total expenses before amortization and write-down of tangible capital assets	2,563,808	2,402,814	2,320,398
Write-down of tangible capital assets	-	-	-
Amortization expense	83,366	85,252	85,204
Total operations and maintenance expenses	2,647,174	2,488,066	2,405,602
Capital expenses	378,808	269,754	108,887
Total expenses	3,025,982	2,757,820	2,514,489
Surplus (deficit) for year	(8,244)	40,343	182,960

GOVERNMENT OF NUNAVUT
BUDGET SUMMARY
Core Government - Departments and Revolving Funds

For the year ended March 31, 2023

(in thousands of dollars)

	Estimates 2023-2024	Estimates 2022-2023	Actual 2021-2022
Total revenues (from page 10)	3,017,738	2,798,163	2,697,449
Expenses			
Compensation and benefits	709,086	669,071	636,243
Grants and contributions	612,159	571,641	576,774
Other expenses	1,028,052	988,025	954,773
Cost of goods sold	214,511	174,077	152,608
Total expenses before amortization and write-down of tangible capital assets	2,563,808	2,402,814	2,320,398
Write-down of tangible capital assets	-	-	-
Amortization expense	83,366	85,252	85,204
Total operations and maintenance expenses	2,647,174	2,488,066	2,405,602
Capital expenses	378,808	269,754	108,887
Total expenses	3,025,982	2,757,820	2,514,489
Surplus (deficit) for year	(8,244)	40,343	182,960