

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA**  
**Statement of Management Responsibility Including Internal Control Over Financial Reporting**

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2013, and all information contained in these statements rests with the management of Aboriginal Affairs and Northern Development Canada (AANDC). These financial statements have been prepared by management using the Government's accounting policies, which are based on Canadian public sector accounting standards.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment, and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of AANDC's financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in AANDC's *Departmental Performance Report*, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting (ICFR) designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout AANDC; and through conducting an annual risk-based assessment of the effectiveness of the system of ICFR.

The system of ICFR is designed to mitigate risks to a reasonable level based on an ongoing process to identify key risks, to assess effectiveness of associated key controls, and to make any necessary adjustments.

A risk-based assessment of the system of ICFR for the year ended March 31, 2013 was completed in accordance with the Treasury Board *Policy on Internal Control* and the results and action plans are summarized in the annex.

The effectiveness and adequacy of AANDC's system of internal control is reviewed by the work of internal audit staff, who conduct periodic audits of different areas of AANDC's operations, and by the Departmental Audit Committee, which oversees management's responsibilities for maintaining adequate control systems and the quality of financial reporting, and which recommends the financial statements to the Deputy Minister.

The financial statements of AANDC have not been audited.

*Original signed by Michael Wernick*

*Original signed by Andrew Francis*

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**Michael Wernick**  
**Deputy Minister**

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**Andrew Francis, CMA**  
**A /Chief Financial Officer**

Gatineau, Canada  
August 28, 2013

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA****Statement of Financial Position (Unaudited)****As at March 31***(in thousands of dollars)*

	<b>2013</b>	<b>2012</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 4)	672,255	727,689
Vacation pay and compensatory leave	16,815	17,488
Other liabilities (note 5)	69,958	76,058
Trust accounts (note 6)	920,104	939,080
Settled claims (note 7)	432,926	519,626
Provision for claims and litigation (note 8)	10,714,925	10,964,626
Environmental liabilities (note 8)	2,530,833	2,370,969
Provision for loan guarantees (note 8)	380	1,465
Employee future benefits (note 9)	30,603	44,001
<b>Total liabilities</b>	<b>15,388,799</b>	<b>15,661,002</b>
<b>Financial assets</b>		
Due from the Consolidated Revenue Fund	1,645,275	1,706,281
Accounts receivable and advances (note 10)	80,626	59,503
Interest receivable (note 11)	1,999	2,008
Loans receivable (note 12)	811,554	790,044
<b>Total gross financial assets</b>	<b>2,539,454</b>	<b>2,557,836</b>
<b>Financial assets held on behalf of Government</b>		
Interest receivable (note 11)	(1,999)	(2,008)
Loans receivable (note 12)	(811,554)	(790,044)
<b>Total financial assets held on behalf of government</b>	<b>(813,553)</b>	<b>(792,052)</b>
<b>Total net financial assets</b>	<b>1,725,901</b>	<b>1,765,784</b>
<b>Departmental net debt</b>	<b>13,662,898</b>	<b>13,895,218</b>
<b>Non-financial assets</b>		
Land held for future claims settlements (note 13)	31,635	26,270
Tangible capital assets (note 14)	65,738	52,580
<b>Total non-financial assets</b>	<b>97,373</b>	<b>78,850</b>
<b>Departmental net financial position (note 15)</b>	<b>(13,565,525)</b>	<b>(13,816,368)</b>

Contingent liabilities (note 8)

Contractual obligations (note 16)

The accompanying notes form an integral part of these financial statements.

*Original signed by Michael Wernick**Original signed by Andrew Francis***Michael Wernick**  
**Deputy Minister****Andrew Francis, CMA**  
**A /Chief Financial Officer**Gatineau, Canada  
August 28, 2013

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA**  
**Statement of Operations and Departmental Net Financial Position (Unaudited)**  
**For the year ended March 31**  
*(in thousands of dollars)*

	<b>2013</b>	<b>2013</b>	<b>2012</b>
	Planned Results		
<b>Expenses</b>			
People	3,359,320	4,208,786	3,465,466
Land and Economy	1,350,348	1,415,570	1,523,260
Government	1,768,062	1,376,299	1,050,344
North	225,407	490,664	688,438
Internal Services	315,378	347,919	391,713
Office of the Federal Interlocutor	29,933	73,781	38,767
Expenses incurred on behalf of Government	(10,490)	6,960	(11,333)
<b>Total expenses</b>	<b>7,037,958</b>	<b>7,919,979</b>	<b>7,146,655</b>
<b>Revenues</b>			
Norman Wells project profits	86,100	108,884	97,176
Resource royalties	115,086	68,321	143,738
Interest on loans	6,868	5,970	7,000
Miscellaneous	1,319	4,835	28,310
Leases and rentals	4,321	3,874	4,862
Finance and administrative services	700	744	644
Revenues earned on behalf of Government	(213,694)	(190,205)	(281,086)
<b>Total revenues</b>	<b>700</b>	<b>2,423</b>	<b>644</b>
<b>Net cost from continuing operations</b>	<b>7,037,258</b>	<b>7,917,556</b>	<b>7,146,011</b>
<b>Transferred operations</b>			
Expenses	-	-	16,049
<b>Net cost of transferred operations</b>	<b>-</b>	<b>-</b>	<b>16,049</b>
<b>Net cost of operations before government funding and transfers</b>	<b>7,037,258</b>	<b>7,917,556</b>	<b>7,162,060</b>
<b>Government funding and transfers</b>			
Net cash provided by Government	7,626,618	8,134,935	8,163,499
Change in due from the Consolidated Revenue Fund	56,525	(61,006)	(347,650)
Services provided without charge by other government departments (note 17)	93,894	94,470	95,945
Transfer of assets and liabilities to other government departments	-	-	(1,671)
<b>Net cost of operations after government funding and transfers</b>	<b>(739,779)</b>	<b>(250,843)</b>	<b>(748,063)</b>
<b>Departmental net financial position – Beginning of year</b>	<b>(13,463,525)</b>	<b>(13,816,368)</b>	<b>(14,564,431)</b>
<b>Departmental net financial position – End of year</b>	<b>(12,723,746)</b>	<b>(13,565,525)</b>	<b>(13,816,368)</b>

The accompanying notes form an integral part of these financial statements.

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA**  
**Statement of Change in Departmental Net Debt (Unaudited)**  
**For the year ended March 31**  
*(in thousands of dollars)*

	2013 Planned Results	2013	2012
<b>Net cost of operations after government funding and transfers</b>	<b>(739,779)</b>	<b>(250,843)</b>	<b>(748,063)</b>
<b>Change due to tangible capital assets</b>			
Acquisition of tangible capital assets (note 14)	13,055	15,827	9,343
Amortization of tangible capital assets (note 14)	(7,510)	(4,483)	(6,635)
Proceeds from disposal of tangible capital assets	(247)	(1,917)	(371)
Gain (loss) on disposal of tangible capital assets	247	1,679	(1,343)
Adjustments to tangible capital assets	-	2,052	-
Transfer to other government departments	-	-	(2,734)
<b>Total change due to tangible capital assets</b>	<b>5,545</b>	<b>13,158</b>	<b>(1,740)</b>
<b>Change due to land held for future claims settlements</b>	<b>22,359</b>	<b>5,365</b>	<b>103</b>
<b>Net increase (decrease) in departmental net debt</b>	<b>(711,875)</b>	<b>(232,320)</b>	<b>(749,700)</b>
<b>Departmental net debt – Beginning of year</b>	<b>13,553,736</b>	<b>13,895,218</b>	<b>14,644,918</b>
<b>Departmental net debt – End of year</b>	<b>12,841,861</b>	<b>13,662,898</b>	<b>13,895,218</b>

The accompanying notes form an integral part of these financial statements.

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA****Statement of Cash Flow (Unaudited)****For the year ended March 31***(in thousands of dollars)*

	<b>2013</b>	<b>2012</b>
<b>Operating activities</b>		
Net cost of operations before government funding and transfers	7,917,556	7,162,060
<b>Non-cash items:</b>		
Amortization of tangible capital assets (note 14)	(4,483)	(6,635)
Gain (loss) on disposal of tangible capital assets	1,679	(1,343)
Adjustments to tangible capital assets	2,052	-
Services provided without charge by other government departments (note 17)	(94,470)	(95,945)
<b>Variations in Statement of Financial Position:</b>		
Increase (decrease) in accounts receivable and advances	21,123	(33,386)
Increase (decrease) in land held for future claims settlements	5,365	103
Decrease (increase) in liabilities	272,203	1,130,736
Transfer of liabilities to other government departments	-	(1,063)
<b><i>Cash used in operating activities</i></b>	<b><i>8,121,025</i></b>	<b><i>8,154,527</i></b>
<b>Capital investing activities</b>		
Acquisition of tangible capital assets	15,827	9,343
Proceeds from disposal of tangible capital assets	(1,917)	(371)
<b><i>Cash used in capital investing activities</i></b>	<b><i>13,910</i></b>	<b><i>8,972</i></b>
<b>Net cash provided by Government of Canada</b>	<b>8,134,935</b>	<b>8,163,499</b>

The accompanying notes form an integral part of these financial statements.

**ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA**  
**Notes to the Financial Statements (*Unaudited*)**  
**For the year ended March 31**

**1. Authority and objectives**

The Department, under its legal name the Department of Indian Affairs and Northern Development, was established by the *Government Organization Act, 1966* and continued by the *Department of Indian Affairs and Northern Development Act (R.S., 1985, c. I-6)*. It is named in Schedule I of the *Financial Administration Act*. However, the Department is more commonly known by its applied title under the Federal Identity Program (FIP) as Aboriginal Affairs and Northern Development Canada (AANDC).

AANDC is the federal government department primarily responsible for meeting the Government of Canada's obligations and commitments to First Nations, Inuit and Métis, and for fulfilling the federal government's constitutional responsibilities in the North. The mandate of AANDC is derived largely from the *Department of Indian Affairs and Northern Development Act*, the *Indian Act* and its amendments, as well as numerous other statutes, negotiated agreements and relevant legal decisions.

To deliver on its mandate, AANDC has structured its operations along six strategic outcomes as follows:

**a) People** - Activities within this strategic outcome are dedicated to achieving a Canada where there is strengthened individual, family and community well-being for First Nations and Inuit. Programs are designed to:

- Provide tools to achieve better educational outcomes for First Nations and Inuit;
- Engage First Nation men, women and children to advance their development and take advantage of available opportunities;
- Support responsible Federal stewardship of the legislative, administrative and treaty obligations for which AANDC is responsible; and
- Contribute to a fair resolution of Indian residential schools.

**b) Land and Economy** – This strategic outcome supports the full participation of First Nations, Inuit and Métis individuals and communities in the economy. These programs promote:

- Viable Aboriginal businesses and opportunity-ready communities;
- Timely administration of reserve lands and prudent management of contaminated sites; and
- Infrastructure which protects the health and safety of First Nation communities.

**c) Government** - Under this strategic outcome, activities enable and support good governance and co-operative relationships for First Nations, Inuit and Northerners. Programs are designed to:

- Support capable and accountable First Nation governments and institutions;
- Build relationships between parties based on trust, respect, understanding, shared responsibilities, accountability, rights and dialogue; and
- Create and maintain ongoing partnerships to support historical and modern treaty structures.

## Notes to the Financial Statements (*Unaudited*)

**d) North** - Through this strategic outcome, AANDC promotes self-reliance, prosperity and well-being for the people and communities of the North. Programs are designed to:

- Strengthen northern communities and people;
- Support scientific research and technology in the North; and
- Support the management, sustainable development, and regulatory oversight of the North's natural resources.

**e) Internal Services** - Under this strategic outcome, activities are designed to support the effective delivery of AANDC's programs and services and other corporate obligations of the organization. These programs include:

- Governance and management support;
- Resource management services; and
- Asset management services.

**f) Office of the Federal Interlocutor** - Under this strategic outcome, activities focus on improving the socio-economic well-being of Métis, Non-Status Indians and urban Aboriginal people. These program activities aim to:

- Enhance the capacity, stability and democratic accountability of Métis and non-status Indian organizations to represent their members' interest;
- Support Urban Aboriginal People's self-reliance and participation in the economy; and
- Reconcile Métis Aboriginal rights with the Canadian federation.

## 2. Summary of significant accounting policies

These financial statements have been prepared in accordance with the Government's accounting policies stated below, which are based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

**a) Parliamentary authorities** – AANDC is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to AANDC does not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting.

The planned results amounts in the Statement of Operations and Departmental Net Financial Position are the amounts reported in the future-oriented financial statements included in the *2012-2013 Report on Plans and Priorities*. The future oriented financial statements have been reclassified to conform to the current year presentation.

## Notes to the Financial Statements (*Unaudited*)

**b) Net cash provided by Government** – AANDC operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by AANDC is deposited to the CRF and all cash disbursements made by AANDC are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements, including transactions between departments of the Government.

**c) Amounts due from/to the CRF** – These amounts are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that AANDC is entitled to draw from the CRF without further authorities to discharge its liabilities.

**d) Revenues** – Revenues from regulatory fees are recognized in the accounts based on the services provided in the year. Other revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenues takes place. Revenues that are non-respendable are not available to discharge AANDC's liabilities. While the Deputy Minister is expected to maintain accounting control, he has no authority regarding the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and therefore presented in reduction of AANDC's gross revenues.

**e) Expenses** – Expenses are recorded on an accrual basis:

- Transfer payments are recorded as expenses when authorization for the payment exists and the recipient has met the eligibility criteria or the entitlements established for the transfer payment program. In situations where payments do not form part of an existing program, transfer payments are recorded as expenses when the Government announces a decision to make a non-recurring transfer, provided the enabling legislation or authorization for payment receives parliamentary approval prior to the completion of the financial statements.
- Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment.
- Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans, legal services, and workers' compensation are recorded as operating expenses at their estimated cost.

**f) Employee future benefits**

- Pension benefits - Eligible employees participate in the Public Service Pension Plan (the Plan), a multiemployer pension plan administered by the Government. AANDC's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. AANDC's responsibility with regard to the plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.
- Severance benefits - Employees entitled to severance benefits under labour contracts or conditions of employment earn these benefits as services necessary to earn them are rendered. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.



## Notes to the Financial Statements (*Unaudited*)

**g) Accounts receivable** – Accounts receivable are stated at the lower of cost and net recoverable value; a valuation allowance is recorded for receivables where recovery is considered uncertain.

The amount of the allowance is determined based on an assessment of each account. The collectibility of each account is reviewed by regional accounting offices on a semi-annual basis using a standard set of criteria to assess default risk.

**h) Loans receivable** – Loans receivable are stated at the lower of cost and net recoverable value; a valuation allowance is recorded for receivables where recovery is considered uncertain.

The amount of the allowance is determined based on an assessment of each loan. The collectibility of each loan is reviewed by program managers on an annual basis using a standard set of criteria to assess default risk.

Interest on loans receivable is calculated in accordance with the terms and conditions of each individual program. Interest is not accrued on loans approved for write-off or forgiveness.

**i) Contingent liabilities** – A contingent liability is a potential liability which may become an actual liability when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

**j) Environmental liabilities** – Environmental liabilities reflect the estimated costs related to the management and remediation of environmentally contaminated sites. Based on management's best estimates, a liability is accrued and an expense recorded when the contamination occurs or when AANDC becomes aware of the contamination and is obligated, or is likely to be obligated, to incur such costs. If the likelihood of AANDC's obligation to incur these costs is not determinable, or if an amount cannot be reasonably estimated, the costs are disclosed as contingent liabilities in the notes to the financial statements.

**k) Tangible capital assets** – All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. AANDC does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, or assets located on Indian Reserves.

Capital assets which are held for future contribution to First Nations are reported as land held for future claims settlements.

## Notes to the Financial Statements (*Unaudited*)

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the assets as follows:

<b>Asset Class</b>	<b>Amortization Period</b>
Buildings	20 to 40 years
Works and infrastructure	30 years
Machinery and equipment	5 to 15 years
Informatics hardware and software	3 to 5 years
Ships and boats	10 years
Motor vehicles	5 to 10 years
Other vehicles	5 years
Leasehold improvements	Lesser of the remaining term of lease or useful life of the improvement
Assets under construction	Once in service, in accordance with asset type

***1) Measurement uncertainty*** – The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, environmental liabilities, the liability for employee future benefits, the allowance for doubtful accounts and the useful life of tangible capital assets. Actual results could differ significantly from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

## Notes to the Financial Statements (*Unaudited*)

### 3. Parliamentary authorities

AANDC receives most of its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Departmental Net Financial Position and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, AANDC has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

#### a) Reconciliation of net cost of operations to current year authorities used

	<b>2013</b>	<b>2012</b>
	<i>(in thousands of dollars)</i>	
<b>Net cost of operations before government funding and transfers</b>	<b>7,917,556</b>	<b>7,162,060</b>
<b>Adjustments for items affecting net cost of operations but not affecting authorities:</b>		
Amortization of tangible capital assets	(4,483)	(6,635)
Gain (loss) on disposal of tangible capital assets	1,679	(1,343)
Transfer of land held for future claims settlements	(17)	(55)
Services provided without charge by other government departments	(94,470)	(95,945)
Bad debt expense (not incurred on behalf of government)	(3,315)	(1,066)
Decrease (increase) in vacation pay and compensatory leave	673	615
Decrease (increase) in liability for settled claims	86,700	74,863
Decrease (increase) in provision for claims and litigation	249,701	1,024,134
Decrease (increase) in environmental liabilities	(159,864)	(355,496)
Decrease (increase) in employee future benefits	13,398	36,566
Decrease (increase) in accrued liabilities not charged to authorities	(3,336)	(20,971)
Refunds/adjustments to prior years' expenditures	65,941	58,668
Other	2,427	(4,046)
<b>Total items affecting net cost of operations but not affecting authorities</b>	<b>155,034</b>	<b>709,289</b>
<b>Adjustments for items not affecting net cost of operations but affecting authorities:</b>		
Acquisition of tangible capital assets	15,827	9,343
Acquisition of land held for future claims settlements	5,382	158
Other	1,343	33
<b>Total items not affecting net cost of operations but affecting authorities</b>	<b>22,552</b>	<b>9,534</b>
<b>Current year authorities used</b>	<b>8,095,142</b>	<b>7,880,883</b>

## Notes to the Financial Statements (*Unaudited*)

### b) Authorities provided and used

	<b>2013</b>	<b>2012</b>
	<i>(in thousands of dollars)</i>	
<b>Authorities provided:</b>		
Vote 1 – Operating expenditures	1,451,057	1,387,289
Vote 5 – Capital expenditures	21,283	5,102
Vote 10 – Grants and contributions	6,811,078	6,371,858
Statutory amounts	215,798	230,380
<b>Total authorities provided</b>	<b>8,499,216</b>	<b>7,994,629</b>
<b>Less:</b>		
Authorities available for future years	(34,183)	(32,862)
<b>Authorities lapsed:</b>		
Vote 1 – Operating expenditures	(177,954)	(43,976)
Vote 5 – Capital expenditures	(11,802)	(3,048)
Vote 10 – Grants and contributions	(180,135)	(33,839)
Statutory amounts	-	(21)
<b>Total authorities lapsed and available for future years</b>	<b>(404,074)</b>	<b>(113,746)</b>
<b>Current year authorities used</b>	<b>8,095,142</b>	<b>7,880,883</b>

In addition to the amount for authorities available for future years presented above, some of the other lapsed amounts may become available to AANDC in the 2014 fiscal year, but due to the timing of parliamentary approvals, these amounts had not been approved at March 31, 2013. Additional information on the use of authorities, including explanation of variances and lapsed amounts, can be found in AANDC's *Departmental Performance Report*.

## Notes to the Financial Statements (*Unaudited*)

### 4. Accounts payable and accrued liabilities

The following table presents details of AANDC's accounts payable and accrued liabilities:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Accounts payable – Other government departments and agencies	29,742	21,486
Accounts payable – External parties	167,296	283,702
<b>Total accounts payable</b>	<b>197,038</b>	<b>305,188</b>
Accrued liabilities	475,217	422,501
<b>Total accounts payable and accrued liabilities</b>	<b>672,255</b>	<b>727,689</b>

In *Canada's Economic Action Plan 2012*, the Government announced savings measures to be implemented by departments over the next three fiscal years starting in 2012-2013. As a result, AANDC has recorded at March 31, 2013 an obligation for termination benefits in the amount of \$4,373,000 (\$20,971,000 in 2012) as part of accrued liabilities to reflect the estimated workforce adjustment costs.

### 5. Other liabilities

The following table presents details of other liabilities:

*(in thousands of dollars)*

	<u>2013</u>					<u>2012</u>
	<b>Restated</b>					<b>Restated</b>
	<b>(Note 19)</b>					<b>(Note 19)</b>
	Opening Balance	Receipts	Interest	Disburse- ments	Closing Balance	Closing Balance
Guarantee deposits	687,042	134,970	-	(158,565)	<b>663,447</b>	687,042
Securities held in trust	(669,999)	(130,456)	-	155,822	<b>(644,633)</b>	(669,999)
<b>Net cash</b>	<b>17,043</b>	<b>4,514</b>	<b>-</b>	<b>(2,743)</b>	<b>18,814</b>	<b>17,043</b>
Other specified purpose accounts	59,015	39,166	467	(47,504)	<b>51,144</b>	59,015
<b>Total other liabilities</b>	<b>76,058</b>	<b>43,680</b>	<b>467</b>	<b>(50,247)</b>	<b>69,958</b>	<b>76,058</b>

## Notes to the Financial Statements (*Unaudited*)

### ***Guarantee deposits and securities held in trust***

In fulfilling its duties under various acts that govern the use of federal Crown land, including land use activities, water resources, and water rights, AANDC may issue licences, permits, and other instruments to individuals and organizations that propose to undertake resource exploration and other types of development projects.

In accordance with the terms and conditions of the instrument, AANDC may require security deposits to ensure the lands and waters are returned in a condition acceptable to AANDC. These security or guarantee deposits can be in the form of cash or paper securities (usually letters of credit).

Cash amounts received are transferred to and held in the CRF, whereas paper securities are held by AANDC.

### ***Other specified purpose accounts***

These accounts are established to receive, hold and disburse monies in accordance with relevant statutes, departmental policies and agreements. The most significant of these accounts is the Indian Moneys Suspense Account. This statutory account was established to hold moneys received for individual Indians and bands pending execution of the related lease, permit or licence, settlement of litigation, registration of the Indian or identification of the recipient, and for Indian locatees pursuant to land tenure instruments issued by AANDC. These moneys are eventually disbursed to individual Indians, credited to band fund or individual trust fund accounts, or returned to payers, as appropriate.

## **6. Trust accounts**

The following table shows AANDC's financial obligations in its role as administrator of trust accounts:

*(in thousands of dollars)*

	<b>2013</b>					<b>2012</b>
	Opening Balance	Receipts	Interest	Disbursements	Closing Balance	Closing Balance
Indian band funds	882,103	202,812	21,372	(246,381)	<b>859,906</b>	882,103
Indian savings accounts	36,750	2,072	795	(3,921)	<b>35,696</b>	36,750
Indian estate accounts	19,128	9,491	377	(6,377)	<b>22,619</b>	19,128
<b><i>Total Indian moneys</i></b>	<b>937,981</b>	<b>214,375</b>	<b>22,544</b>	<b>(256,679)</b>	<b>918,221</b>	<b>937,981</b>
Other trust accounts	1,099	784	-	-	<b>1,883</b>	1,099
<b>Total trust accounts</b>	<b>939,080</b>	<b>215,159</b>	<b>22,544</b>	<b>(256,679)</b>	<b>920,104</b>	<b>939,080</b>

## Notes to the Financial Statements (*Unaudited*)

### *Indian moneys*

In accordance with the *Indian Act*, AANDC has responsibility to administer Indian moneys of bands and certain individual Indians, including minors, mentally incompetent individuals and deceased Indians.

Moneys collected or received for the use and benefit of these groups are deposited to the CRF. Pursuant to Section 61(2) of the *Indian Act*, interest on Indian moneys held in the CRF is allowed at a rate fixed from time to time by the Governor-in-Council. Interest accumulated in the accounts is compounded semi-annually.

There are three categories of Indian moneys administered by AANDC: Indian band funds, Indian savings accounts, and Indian estate accounts.

#### *Indian band funds*

These accounts were established to record moneys belonging to Indian bands throughout Canada pursuant to sections 61 to 69 of the *Indian Act*.

Indian Moneys of the band are classified as either capital moneys or revenue moneys. Capital moneys of the band include all moneys derived from the sale of surrendered lands or the sale of band capital assets. Moneys from the sale of surrendered lands can include land sales, timber sales, oil and gas royalties, and sale of gravel. Revenue moneys are all moneys not classified as capital moneys.

Moneys are generally disbursed from these accounts pursuant to an authorized request from a band.

#### *Indian savings accounts*

These accounts were established to record moneys belonging to certain individual Indians pursuant to sections 52 and 52.1 to 52.5 of the *Indian Act*.

Sources of moneys include inheritances and per capita distribution of band funds. Moneys are generally disbursed from these accounts pursuant to an authorized request from an individual and upon reaching the age of majority.

#### *Indian estate accounts*

These accounts were established to record moneys belonging to mentally incompetent individuals and deceased Indians pursuant to sections 42 to 51 of the *Indian Act*.

Sources of moneys belonging to mentally incompetent individuals include insurance proceeds, per capita distribution of band funds, and provincial assistance payments. Payments are made from these accounts for the maintenance and care of the individuals.

Estate accounts for deceased Indians include the proceeds of their liquidated assets that are held pending the settlement of the estate. The closing of the account usually corresponds with the final distribution to their heirs.

## Notes to the Financial Statements (*Unaudited*)

### *Other trust accounts*

Relative to AANDC's legislative mandate, trust accounts may also be established in accordance with settlement agreements, legislative authorities other than the *Indian Act*, or court decisions.

### **7. Settled claims**

The liability for settled claims represents AANDC's financial obligation pursuant to agreements related to comprehensive land claims and specific claims.

Comprehensive land claims are negotiated in areas where Aboriginal title has not been dealt with by treaty or by other legal methods. In such cases, the claim is based on an Aboriginal group's traditional use and occupancy of that land. Comprehensive land claim settlements result in agreement on special rights Aboriginal peoples will have in the future with respect to lands and resources.

Specific claims address past grievances arising out of non-fulfilment of Indian treaties and other lawful obligations, the improper administration of lands and other assets under the *Indian Act*, or formal agreements that are being pursued through negotiations.

An act of Parliament, based on a negotiated agreement, establishes the authority for AANDC to make claim payments. The interest rate attached to these claim payments is set out in the act, along with a claim payment schedule. Claim payments are generally made over a number of years.

At March 31, 2013, AANDC had 11 outstanding settled claims (12 in 2012). Payments totalled \$109,000,000 in 2013 (\$158,000,000 in 2012).

The present value of the liability for outstanding settled claims, calculated using the appropriate Consolidated Revenue Fund Monthly Lending Rate as published by the Department of Finance, at March 31, 2013 is \$432,926,000 (\$519,626,000 in 2012)

Future scheduled claim payments are as follows:

*(in thousands of dollars)*

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 and thereafter</b>	<b>Total</b>
Scheduled payments	85,000	85,000	55,000	53,000	155,000	<b>433,000</b>



## Notes to the Financial Statements (*Unaudited*)

### 8. Contingent liabilities

Contingent liabilities arise in the normal course of operations and their ultimate disposition is unknown. They are classified into three categories: claims and litigation, environmental liabilities (contaminated sites) and loan guarantees.

#### *Claims and litigation*

Claims and pending and threatened litigation cases outstanding against AANDC are potential liabilities that may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

There are four significant types of claims faced by AANDC: comprehensive land claims, specific claims, general litigation claims, and claims arising from the legacy of Indian residential schools<sup>1</sup>.

Comprehensive land claims arise in areas of the country where Aboriginal rights and title have not been resolved by treaty or by other legal means. There are currently 81 (81 in 2012) comprehensive land claims under negotiation, accepted for negotiation or under review.

Specific claims deal with the past grievances of First Nations related to Canada's obligations under historic treaties or the way it managed First Nations' funds or other assets. The Government of Canada will pursue a settlement agreement with the First Nation when a claim demonstrates an outstanding lawful obligation. There are currently 443 (439 in 2012) specific claims under negotiation, accepted for negotiation or under review.

There are legal proceedings for 533 (531 in 2012) general litigation claims being pursued through the courts still pending at March 31, 2013. There are also thousands of claims being managed through AANDC with respect to the legacy of Indian residential schools, including class action claims, as well as claims submitted under its Alternative Dispute Resolution process and its Independent Assessment Process.

AANDC has recorded a provision of \$10,714,925,000 (\$10,964,626,000 in 2012) as an estimate of the likely liability that will result from the above claims. This estimate includes projections based on historical rates and costs of settlement of similar claims. Exposure to liability in excess of the amount accrued is \$178,046,000 (\$151,460,000 in 2012) and an additional amount of \$4,364,276,000 (\$4,068,722,000 in 2012) is considered uncertain as the probability of the occurrence or non-occurrence of the future event confirming that a liability existed at the financial statements date cannot be determined.

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<sup>1</sup> Depending on its type, a claim may be resolved with a transfer payment or an operating expenditure. As a result, the year-over-year change in the provision is allocated between transfer payment expenses and operating expenses, as shown in note 19 – Segmented information.

## Notes to the Financial Statements (*Unaudited*)

### ***Environmental liabilities (Contaminated Sites)***

Liabilities are accrued to record the estimated costs related to the management and remediation of contaminated sites where AANDC is obligated or likely to be obligated to incur such costs<sup>2</sup>.

AANDC has identified 785 sites (823 sites in 2012) where such action is possible and for which a liability of \$2,530,833,000 (\$2,370,969,000 in 2012) has been recorded. AANDC has estimated additional clean-up costs of \$13,524,000 (\$21,838,000 in 2012) that have not been accrued, as these are not considered likely to be incurred at this time.

AANDC's ongoing efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. These liabilities will be accrued by AANDC in the year in which they become likely and are reasonably estimable.

### ***Loan guarantees***

As at March 31, 2013, AANDC has issued loan guarantees under its On-Reserve Housing Guarantee program of \$1,860,452,000 (\$1,820,611,000 in 2012) and under its Indian Economic Development Guarantee program of \$658,000 (\$648,000 in 2012). AANDC's authority limit for issuing loan guarantees under these programs is \$2.2 billion (\$2.2 billion in 2012) and \$60 million (\$60 million in 2012) respectively.

A provision for losses on loan guarantees is recorded when it is likely that a payment will be made in the future to honour a guarantee and when the amount of the loss can be reasonably estimated. The provision is determined by applying the weighted average historical percentage of default to total outstanding loan guarantees. The provision is reviewed on at least an annual basis with any changes being charged or credited to current year expenses.

The provision for losses for each loan guarantee program is as follows:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
On-Reserve Housing Guarantee program	325	1,400
Indian Economic Development Guarantee program	55	65
<b>Total provision for losses</b>	<b><u>380</u></b>	<b><u>1,465</u></b>

<sup>2</sup> Contaminated sites may be remediated with a transfer payment or an operating expenditure. As a result, the year-over-year change in environmental liabilities is allocated between transfer payment expenses and operating expenses, as shown in note 19 – Segmented information.

## Notes to the Financial Statements (*Unaudited*)

### 9. Employee future benefits

#### a) Pension benefits

AANDC's employees participate in the Public Service Pension Plan (the Plan), which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plan benefits and are indexed to inflation.

Both the employees and AANDC contribute to the cost of the Plan. For the year ended March 31, 2013, the expense amounts to \$50,366,000 (\$51,786,000 in 2012), which represents approximately 1.7 times (1.8 in 2012) the contributions by employees.

AANDC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

#### b) Severance benefits

AANDC provides severance benefits to its employees based on eligibility, years of service and salary at termination of employment. These severance benefits are not pre-funded. Benefits will be paid from future authorities.

As part of collective agreement negotiations with certain employee groups and changes to conditions of employment for executives and certain non-represented employees, the accumulation of severance benefits under the employee severance pay program ceased for these employees commencing in 2012. Employees subject to these changes have been given the option to be immediately paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits on termination from the public service. These changes have been reflected in the calculation of the outstanding severance benefit obligation.

Information about the severance benefits, measured as at March 31, is as follows:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
<b>Accrued benefit obligation- Beginning of year</b>	44,001	80,567
Transferred to other government departments, effective November 15, 2011	-	(1,063)
<b>Subtotal</b>	<u>44,001</u>	<u>79,504</u>
Expense for the year	16,594	12,323
Benefits paid during the year	(29,992)	(47,826)
<b>Accrued benefit obligation- End of year</b>	<u>30,603</u>	<u>44,001</u>

## Notes to the Financial Statements (*Unaudited*)

### 10. Accounts receivable and advances

The following table presents details of AANDC's accounts receivables and advances:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Receivables – Other government departments and agencies	14,267	15,366
Receivables – External parties	84,493	59,260
Employee advances	319	278
<b>Gross accounts receivable</b>	<b>99,079</b>	<b>74,904</b>
Less:		
Allowance for doubtful accounts on receivables from external parties	(18,453)	(15,401)
<b>Net accounts receivable and advances</b>	<b>80,626</b>	<b>59,503</b>

### 11. Interest receivable

The following table presents details of accrued interest receivable on loans:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Direct loans	1,671	2,035
Defaulted guaranteed loans	913	514
<b>Gross interest receivable</b>	<b>2,584</b>	<b>2,549</b>
Less:		
Allowance for doubtful accounts	(585)	(541)
<b>Net interest receivable (held on behalf of Government)</b>	<b>1,999</b>	<b>2,008</b>

## Notes to the Financial Statements (*Unaudited*)

### 12. Loans receivable

The following table presents details of loans receivable:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
<b>Direct loans portfolio:</b>		
Native claimants	449,342	459,029
First Nations in British Columbia	464,924	443,052
Other direct loans	504	504
<b><i>Subtotal: Direct loans portfolio</i></b>	<b><u>914,770</u></b>	<b><u>902,585</u></b>
Add: Capitalized interest	4,298	4,681
Less: Allowance for doubtful loans	(119,383)	(126,621)
<b>Net recoverable value: Direct loans portfolio</b>	<b><u>799,685</u></b>	<b><u>780,645</u></b>
<b>Defaulted guaranteed loans portfolio:</b>		
On-reserve housing guarantees	12,214	11,315
Indian economic development guarantees	522	3,219
Other defaulted guaranteed loans	104	104
<b><i>Subtotal: Defaulted guaranteed loans portfolio</i></b>	<b><u>12,840</u></b>	<b><u>14,638</u></b>
Add: Capitalized interest	18,607	16,971
Less: Allowance for doubtful loans	(19,578)	(22,210)
<b>Net recoverable value: Defaulted guaranteed loans portfolio</b>	<b><u>11,869</u></b>	<b><u>9,399</u></b>
<b>Loans receivable, net recoverable value (held on behalf of Government)</b>	<b><u>811,554</u></b>	<b><u>790,044</u></b>

#### ***Direct loans portfolio***

The objective of direct loans is to support active participation by First Nations and First Nations organizations and to promote a balanced exchange of ideas in negotiating the settlement of comprehensive land claims, specific claims, and treaties.

AANDC's direct loans portfolio has two active programs in support of this objective.

## Notes to the Financial Statements (*Unaudited*)

### *Native claimants*

These are loans made to Native claimants to defray the costs related to the research, development and negotiation of comprehensive land claims and specific claims.

The significant terms and conditions of loans to Native claimants are as follows:

- a) Loans made before an agreement-in-principle for the settlement of a claim is reached are non-interest bearing;
- b) Loans made after the date on which an agreement-in-principal has been reached, bear interest at a rate equal to the rate established by the Minister of Finance in respect of borrowings for equivalent terms by Crown corporations;
- c) Loans are due and payable, as to principal and interest, on the date on which the claim is settled, or on a date fixed in the loan agreement;
- d) Loans may be restructured, including forgiveness of a portion of the principal or interest in arrears, when the borrower cannot meet the term of the original loan agreement; and
- e) AANDC may seek security for loans when deemed appropriate.

When an agreement-in-principle is reached for the settlement of a claim, any accrued interest receivable is capitalized semi-annually as part of the principal amount owing on the loan. After a final agreement is reached, any accrued interest receivable outstanding is capitalized annually as part of the principal amount owing on the loan.

The interest bearing and non-interest bearing portions of direct loans for Native claimants outstanding at March 31 are as follows:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Interest bearing	74,738	87,336
Non-interest bearing	374,604	371,693
<b>Total</b>	<b><u>449,342</u></b>	<b><u>459,029</u></b>

### *First Nations in British Columbia*

These are loans made to First Nations in British Columbia to support their participation in the British Columbia Treaty Commission and to defray the costs related to the research, development and negotiation of treaties.

The significant terms and conditions of direct loans to First Nations in British Columbia are the same as those for loans to Native claimants, except as follows:

## Notes to the Financial Statements (*Unaudited*)

a) Loans made between April 1, 2004 and March 31, 2013, and after the date on which an agreement-in-principle for the settlement of a treaty has been reached shall be non-interest bearing unless the loans become due and payable during this period.

The interest bearing and non-interest bearing portions of direct loans for First Nations in British Columbia outstanding at March 31 are as follows:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Interest bearing	19,875	21,337
Non-interest bearing	445,049	421,715
<b>Total</b>	<b><u>464,924</u></b>	<b><u>443,052</u></b>

### *Other direct loans*

AANDC also has various legacy programs that are no longer active. These legacy programs will continue to operate under their existing arrangements until the land claims are settled, at which point the loans will become repayable and the respective programs closed.

All loans outstanding at year-end under the various legacy programs both for the current and prior year are interest bearing.

### ***Defaulted guaranteed loans portfolio***

The objective of loan guarantees is to encourage lending institutions to make loans for properties located on First Nations lands and to support access to credit markets for First Nations and First Nations organizations. Since properties located on First Nations lands cannot be used as collateral to secure the loans and lending institutions are prevented from foreclosing on these properties in the event of borrower default as prescribed by the *Indian Act*, lending institutions can be exposed to greater business risk in issuing loans for properties located on First Nations lands.

As guarantor, loan guarantees issued under the various programs may become receivables of the Department when, at the request of a lending institution, AANDC is required to honour these loan guarantees. As a result, AANDC makes payment to the lending institution and establishes a receivable from the First Nation or First Nation organization.

AANDC has access to an annual \$2 million statutory authority for funding payments to lending institutions to honour loan guarantees. Payments made in excess of the \$2 million authority limit are charged to program expenses and funded by budgetary authorities.

AANDC charged \$1,546,000 to its reserve in 2013 (\$89,000 in 2012) for payments covering the default of 2 loans (2 in 2012).

## Notes to the Financial Statements (*Unaudited*)

The various loan guarantee programs are described below.

### *On-Reserve Housing Guarantee program*

This program authorizes the Department to guarantee loans to individuals and Indian bands to assist in the purchase of housing on reserves because security restrictions in the *Indian Act* prevent the mortgage and seizure of property located on reserves. These loan guarantees enable status Indians residing on reserves, Band councils, or their delegated authorities, to secure housing loans without giving the lending institution rights to the property.

The significant terms and conditions of the On-Reserve Housing Guarantee program are as follows:

Payments of principal and interest for loans issued under this program are amortized over a period of 25 years. The interest rates on the guaranteed loans are consistent with conventional mortgage interest rates offered by the major banks. On a semi-annual basis, any accrued interest receivable outstanding is capitalized as part of the principal amount owing on the loan.

To control the occurrence of defaulted loans in this program, the Department restricts the eligibility of recipients for further loans until such time as a recovery plan has been reached and has been in operation in accordance with its terms and conditions for a period of six months.

### *Indian Economic Development Guarantee program*

This program authorizes the Department to guarantee loans for non-incorporated Indian businesses on a risk-sharing basis with commercial lenders because security restrictions in the *Indian Act* prevent the mortgage and seizure of property located on reserves. Guarantees are provided for various types of borrowers whose activities contribute to the economic development of Indians and enable them to develop long-term credit relationships with mainstream financial institutions.

The significant terms and conditions of the Indian Economic Development Guarantee program are as follows:

Loans issued under this program cannot exceed a term of 15 years and the line of credit must be renewed every year. Interest rates on guaranteed loans are consistent with rates provided by lending institutions to commercial businesses, which are usually based on a spread from the prime lending rate. Accrued interest on loans issued under this program is not capitalized. Any security pledged for a guaranteed loan may not be released by the lending institution without the prior approval of the Minister of AANDC.

### *Other defaulted guaranteed loans*

AANDC also has a legacy program that is no longer active. This legacy program will continue to operate under its existing arrangements until the defaulted guaranteed loans are paid and the program closed.



## Notes to the Financial Statements (*Unaudited*)

### 13. Land held for future claims settlements

Land held for future claims settlements is segregated from other tangible capital assets as these assets are not acquired with the intention of being used on a continuous basis in government operations. Rather, these assets are properties acquired and held by AANDC for the purpose of future settlements of Aboriginal land claims. Following the ratification of a negotiated agreement, these assets are transferred to the Aboriginal group.

Changes in this account are summarized in the following table:

*(in thousands of dollars)*

	<b>2013</b>			<b>2012</b>	
	Opening Balance	Acquisitions	Transfers	Closing Balance	Closing Balance
Land held for future claims settlements	26,270	5,382	(17)	<b>31,635</b>	<b>26,270</b>

**Notes to the Financial Statements (Unaudited)**

**14. Tangible capital assets**

(in thousands of dollars)

Capital Asset Class	Cost					Accumulated Amortization					Net Book Value	
	Opening Balance	Acquisitions	Adjustments (1)	Disposals and Write-offs	Closing Balance	Opening Balance	Amortization	Adjustments	Disposals and Write-offs	Closing balance	2013	2012
Land	606	-	-	-	606	-	-	-	-	-	606	606
Buildings	28,600	-	-	-	28,600	14,661	751	-	-	15,412	13,188	13,939
Works and infrastructure	1,444	-	-	-	1,444	1,404	5	-	-	1,409	35	40
Machinery and equipment	9,365	124	(2,729)	1,202	5,558	6,016	566	(70)	979	5,533	25	3,349
Informatics hardware	17,997	693	2,367	293	20,764	15,970	232	(9)	292	15,901	4,863	2,027
Informatics software	37,230	19	13,013	-	50,262	17,484	1,895	-	-	19,379	30,883	19,746
Ships and boats	113	-	-	-	113	58	10	-	-	68	45	55
Motor vehicles	4,353	306	-	472	4,187	3,298	443	-	458	3,283	904	1,055
Other vehicles	543	-	-	80	463	383	21	-	80	324	139	160
Leasehold improvements	1,788	-	2,104	-	3,892	780	560	-	-	1,340	2,552	1,008
Assets under construction	10,595	14,685	(12,782)	-	12,498	-	-	-	-	-	12,498	10,595
<b>Total</b>	<b>112,634</b>	<b>15,827</b>	<b>1,973</b>	<b>2,047</b>	<b>128,387</b>	<b>60,054</b>	<b>4,483</b>	<b>(79)</b>	<b>1,809</b>	<b>62,649</b>	<b>65,738</b>	<b>52,580</b>

(1) Adjustments include assets under construction of \$15,117,000 that were transferred to the other categories upon completion of the assets.

## Notes to the Financial Statements (*Unaudited*)

### 15. Departmental net financial position

A portion of AANDC's net financial position is restricted to be used for a specific purpose. Related revenues and expenses are included in the Statement of Operations and Departmental Net Financial Position.

The Environmental Studies Research Fund account was established pursuant to the *Canada Petroleum Resources Act* and related regulations to record levies stipulated under the Act. The balance of the account is to be used to finance environmental and social studies pertaining to the manner in which, and the terms and conditions under which, exploration, development and production activities on frontier lands authorized under this Act or any other Act of Parliament should be conducted.

The Bowater Environmental Remediation Fund was established pursuant to a decision of the Commercial Division of the Superior Court in the Province of Quebec. The balance in the account is to be used to finance the remediation of environmental damage caused by Bowater Canadian Forest Products Inc. relative to a land lease issued by AANDC.

The balance of the funds at the end of the year is included in Departmental Net Financial Position. Activity in the funds is as follows:

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
<b>Environmental Studies Research Fund – Restricted</b>		
Balance – Beginning of year – Restricted	2,026	2,172
Revenues	1,243	2,026
Expenses	(2,026)	(2,172)
<b><i>Balance – End of year – Restricted</i></b>	<b>1,243</b>	<b>2,026</b>
<b>Bowater Environmental Remediation Fund – Restricted</b>		
Balance – Beginning of year – Restricted	2,597	-
Revenues	-	2,597
Expenses	(313)	-
<b><i>Balance – End of year – Restricted</i></b>	<b>2,284</b>	<b>2,597</b>
<b>Total restricted</b>	<b>3,527</b>	<b>4,623</b>
Unrestricted	(13,569,052)	(13,820,991)
<b>Departmental net financial position – End of year</b>	<b>(13,565,525)</b>	<b>(13,816,368)</b>

## Notes to the Financial Statements (*Unaudited*)

### 16. Contractual obligations

The nature of AANDC's activities can result in some multi-year contracts and obligations whereby AANDC will be obligated to make future payments in order to carry out its transfer payment programs or when the goods or services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

*(in thousands of dollars)*

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 and thereafter</b>	<b>Total</b>
Transfer payments	4,512,878	1,456,688	1,233,221	673,429	683,184	<b>8,559,400</b>
<b>Total</b>	<b>4,512,878</b>	<b>1,456,688</b>	<b>1,233,221</b>	<b>673,429</b>	<b>683,184</b>	<b>8,559,400</b>

### 17. Related party transactions

AANDC is related as a result of common ownership to all Government departments, agencies, and Crown corporations. AANDC enters into transactions with these entities in the normal course of business and on normal trade terms. In addition, AANDC has an agreement for the provision of finance and administrative services to the Canadian Northern Economic Development Agency. During the year, AANDC received common services which were obtained without charge from other Government departments as disclosed below.

#### a) Common services provided without charge by other government departments

During the year, AANDC received services without charge from certain common service organizations related to accommodation, the employer's contribution to the health and dental insurance plans, legal services and workers' compensation coverage. These services provided without charge have been recorded in AANDC's Statement of Operations and Departmental Net Financial Position as follows:

	<b>2013</b>	<b>2012</b>
	<i>(in thousands of dollars)</i>	
Accommodation	44,109	40,752
Employer's contribution to the health and dental insurance plans	38,800	41,450
Legal services	11,043	13,269
Workers' compensation	518	474
<b>Total</b>	<b>94,470</b>	<b>95,945</b>

The Government has centralized some of its administrative activities for purposes of efficiency, cost-effectiveness and economical delivery of programs to the public. As a result, the Government uses central agencies and common service organizations so that one department performs services for all other departments and agencies without charge. The costs of these services, such as the payroll and cheque issuance services provided by Public Works and Government Services Canada and audit services provided by the Office of the Auditor General are not included in AANDC's Statement of Operations and Departmental Net Financial Position.

**Notes to the Financial Statements (*Unaudited*)**

**b) Other transactions with related parties**

	<u>2013</u>	<u>2012</u>
	<i>(in thousands of dollars)</i>	
Expenses – Other Government departments and agencies	250,113	272,375
Revenues – Other Government departments and agencies	2,278	2,852

Expenses and revenues disclosed in (b) exclude common services provided without charge which are already disclosed in (a).

## Notes to the Financial Statements (Unaudited)

### 18. Segmented information

Presentation by segment is based on AANDC's program alignment architecture. The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies in note 2. The following table presents the expenses incurred and revenues generated for each of AANDC's strategic outcomes, by major object of expenses and by major type of revenues. The segment results for the period are as follows:

<i>(in thousands of dollars)</i>	People	Land and Economy	Government	North	Internal Services	Office of the Federal Interlocutor	2013 Total	2012 Total
<b>Transfer Payments</b>								
First Nations	2,897,937	1,243,713	1,472,729	11,129	-	61,841	5,687,349	5,464,924
Provincial/territorial governments and institutions	472,110	48,152	191,489	97,208	-	658	809,617	787,830
Industry	19,489	15,120	85	62,318	-	52	97,064	91,110
Contaminated sites (note 8)	-	(6,196)	-	49,818	-	-	43,622	101,413
Non-profit organizations	28,011	3,093	651	5,228	-	4,435	41,418	41,966
Other	325	-	-	8	-	-	333	2,423
Refunds/adjustments to prior years' expenditures	(36,007)	(12,931)	(8,484)	(1,501)	-	(1,854)	(60,777)	(52,173)
Claims and litigation (note 8)	-	-	(403,774)	-	-	-	(403,774)	(543,584)
<b>Total Transfer Payments</b>	<b>3,381,865</b>	<b>1,290,951</b>	<b>1,252,696</b>	<b>224,208</b>	<b>-</b>	<b>65,132</b>	<b>6,214,852</b>	<b>5,893,909</b>
<b>Operating Expenses</b>								
Salaries and employee future benefits	104,824	93,847	105,091	55,598	165,722	7,062	532,144	561,451
Court awards and other settlements	465,310	-	1	-	8,525	-	473,836	458,540
Claims and litigation (note 8)	154,073	-	-	-	-	-	154,073	(480,550)
Professional and special services	36,800	15,974	5,694	79,416	46,479	731	185,094	203,073
Legal services	31,979	8	56	12	85,086	-	117,141	123,344
Contaminated sites (note 8)	-	-	-	116,242	-	-	116,242	254,083
Accommodations	10,292	7,249	7,998	4,110	13,897	563	44,109	40,752
Travel and relocation	10,618	3,306	4,599	4,369	5,004	325	28,221	31,704
Information services	11,056	209	140	1,014	2,029	3	14,451	17,583
Rentals of buildings and machinery	2,247	290	175	1,784	9,179	-	13,675	10,446
Machinery and equipment	306	425	265	1,166	6,912	28	9,102	11,108
Expenses incurred on behalf of Government	-	(361)	7,321	-	-	-	6,960	(11,333)
Utilities, materials and supplies	923	948	354	1,114	2,886	29	6,254	7,243
Amortization	533	22	12	483	3,433	-	4,483	5,540
Bad debt	-	1,958	-	-	1,641	-	3,599	3,178
Transportation and telecommunications	693	89	15	143	1,973	3	2,916	4,051
Repairs and maintenance	85	113	157	198	2,128	21	2,702	2,715
Other	(2,187)	508	323	2,444	(5,802)	3	(4,711)	16,313
Refunds/adjustments to prior years' expenditures	(631)	(327)	(1,277)	(1,637)	(1,173)	(119)	(5,164)	(6,495)
<b>Total Operating Expenses</b>	<b>826,921</b>	<b>124,258</b>	<b>130,924</b>	<b>266,456</b>	<b>347,919</b>	<b>8,649</b>	<b>1,705,127</b>	<b>1,252,746</b>
<b>Total Expenses</b>	<b>4,208,786</b>	<b>1,415,209</b>	<b>1,383,620</b>	<b>490,664</b>	<b>347,919</b>	<b>73,781</b>	<b>7,919,979</b>	<b>7,146,655</b>

## Notes to the Financial Statements (*Unaudited*)

<i>(in thousands of dollars)</i>	People	Land and Economy	Government	North	Internal Services	Office of the Federal Interlocutor	2013 Total	2012 Total
<b>Revenues</b>								
Norman Wells project profits	-	-	-	108,884	-	-	108,884	97,176
Resource royalties	-	-	-	68,321	-	-	68,321	143,738
Interest on loans	-	2,228	3,742	-	-	-	5,970	7,000
Miscellaneous	-	1,393	-	2,498	944	-	4,835	28,310
Leases and rentals	-	2	5	3,867	-	-	3,874	4,862
Finance and administrative services	-	-	-	-	744	-	744	644
Revenues earned on behalf of Government	-	(2,454)	(3,747)	(183,553)	(451)	-	(190,205)	(281,086)
<b>Total Revenues</b>	-	<b>1,169</b>	-	<b>17</b>	<b>1,237</b>	-	<b>2,423</b>	<b>644</b>
<b>Net cost from continuing operations</b>	<b>4,208,786</b>	<b>1,414,040</b>	<b>1,383,620</b>	<b>490,647</b>	<b>346,682</b>	<b>73,781</b>	<b>7,917,556</b>	<b>7,146,011</b>

The major categories of revenue are described below.

### **Resource royalties**

The most significant sources of resource royalty revenues are those earned pursuant to the *Northwest Territories and Nunavut Mining Regulations* (formerly the *Canada Mining Regulations*) and the *Frontier Lands Petroleum Royalty Regulations*.

The *Northwest Territories and Nunavut Mining Regulations* (the Mining Regulations) prescribe a profit-sharing formula upon which royalty revenues are based. AANDC receives a percentage of the profits companies earn from the sale of minerals extracted from land leased by these companies pursuant to the Mining Regulations. The Mining Regulations prescribe that royalties are generally payable four months after the fiscal year-end of the company.

The *Frontier Lands Petroleum Royalty Regulations* (the Royalty Regulations) also prescribe a profit-sharing formula upon which royalty revenues are based. AANDC receives a percentage of the profits companies earn from the sale of oil and gas extracted from the land, which the company has the right to use pursuant to a production licence issued under the authority of the *Canada Petroleum Resources Act*. The Royalty Regulations prescribe that royalties are generally payable on the last day of the month following the month of production.

### **Norman Wells project profits**

This project is a source of revenues earned pursuant to an agreement between AANDC and Imperial Oil. This agreement prescribes a profit-sharing formula and sets out a payment schedule, whereby payments are made annually to AANDC no later than March 20.

### **Leases and rentals**

The major source of lease and rental revenues is lease fees prescribed in the Mining Regulations. After a waiting period of 10 years, companies may lease land in the North for purposes of exploration and extraction of minerals. Leases are for a period of 21 years and are renewable. Lease fees are set out in the Mining Regulations and are payable annually on the anniversary date of the signing of the lease.

## 19. Prior year corrections

During the year, it was confirmed that non-negotiable securities in the amount of \$487,677,000 had been inappropriately disclosed as part of the balances for guarantee deposits and its contra account securities held in trust. These two accounts taken together represent the net liability of the department and are shown as part of Other Liabilities. The net liability of the department was unaffected by this misstatement, as shown below. Neither Parliamentary authorities nor departmental expenses for the 2012 fiscal year were affected by this misstatement.

	<b>2012 As previously stated</b>	<b>Effect of prior year correction</b>	<b>2012 Restated</b>
	<i>(in thousands of dollars)</i>		
<b>Other Liabilities</b>	76,058	-	76,058

## 20. Comparative information

Comparative figures have been reclassified to conform to the current year's presentation



**Summary of the assessment of  
effectiveness of the system of Internal  
Control over Financial Reporting and the  
action plan of  
Aboriginal Affairs and Northern  
Development Canada  
For Fiscal Year 2012-2013**

**Annex to the  
*Statement of Management Responsibility  
Including Internal Control over Financial  
Reporting***

## 1.0 Introduction

This document provides summary information on the measures taken by Aboriginal Affairs and Northern Development Canada (AANDC) to maintain an effective system of internal control over financial reporting (ICFR) including information on internal control management and assessment results and related action plans.

Detailed information on AANDC's authority, mandate and program activities can be found in the [Departmental Performance Report](#) and the [Report on Plans and Priorities](#).

## 2.0 Control environment of AANDC relative to ICFR

AANDC recognizes the importance of setting the tone from the top to help ensure that staff at all levels understands their roles in maintaining effective systems of ICFR and is well equipped to exercise these responsibilities effectively. AANDC's focus is to ensure risks are managed well through a responsive and risk-based control environment that enables continuous improvement and innovation.

### 2.1 Key positions, roles and responsibilities

Below are AANDC's key positions and committees with responsibilities for maintaining and reviewing the effectiveness of its system of ICFR.

**Deputy Minister** – As Accounting Officer, assumes overall responsibility and leadership for the measures taken to maintain an effective system of internal control. In this role, the Deputy Minister chairs the Senior Management Committee, the Executive Committee, the Policy Committee and the Evaluation, Performance Measurement Review Committee. He also attends the Departmental Audit Committee, the Operations Committee, the Financial Management Committee, and the Human Resources Workplace Services and Management Committee.

**Chief Financial Officer (CFO)** – Reports directly to the Deputy Minister and provides leadership for the coordination, coherence and focus on the design and maintenance of an effective and integrated system of ICFR including its annual assessment.

**Senior Departmental Managers** - Are responsible for reviewing and maintaining the effectiveness of their system of ICFR in their area of responsibilities.

**Chief Audit & Evaluation Executive (CAEE)** – Reports directly to the Deputy Minister and provides assurance on the integrity of AANDC's financial management and financial reporting processes and the effectiveness and adequacy of risk management, internal controls, governance and accountability processes through periodic internal audits, which are instrumental to the maintenance of an effective system of ICFR. The CAEE is also the Chief Risk Officer (CRO) of AANDC and as such provides support and assists management in ongoing risk management activities across AANDC.

**Departmental Audit Committee (DAC)** – Is an advisory committee that provides objective views on AANDC's risk management, control and governance frameworks. It is comprised of five external members and was established in June 2007. As such, it reviews AANDC's Corporate Risk Profile and its system of internal control, including the assessment and action plans relating to the system of ICFR.

## **2.2 Key measures taken by the Aboriginal Affairs and Northern Development Canada**

AANDC's control environment also includes a series of measures to equip its staff to properly manage risks through raising awareness, providing appropriate knowledge and tools as well as developing skills. Key measures that are continually being maintained include:

- The Centre for Integrity, Values, and Conflict Resolution under the Workplace/Well-being and Corporate Services;
  - A dedicated division, under the Chief Financial Officer, on internal control;
  - Annual performance agreements with clearly set-out financial management responsibilities; Training and communications in core areas of financial management;
  - Departmental policies tailored to AANDC's control environment that are reflected in the Financial Management Manual; Regularly updated delegated authorities matrix;
  - A departmental Management Control Framework for Grants and Contributions;
  - The documentation of significant business processes and related key risk and control points to support the management and oversight of its system of ICFR;
  - Information Technology processing systems to achieve greater security, integrity, efficiency and effectiveness; Rigorous oversight and review of ongoing resource utilization through monthly financial status reports.
  - A Chief Financial Officer Sector Integrated Business Plan 2011-2014;
  - Procurement and Contracting Desk Guide for Managers.
- Other key measures taken by AANDC in 2012-2013 include:
    - Introduction of new accounting and financial policies;
    - Review of delegation instruments;
    - Introduction of new accounting, procurement, and Human Resources service centres.

## **2.3 Service arrangements relevant to financial statements**

AANDC relies on other organizations for the processing of certain transactions that are recorded in its financial statements as follows:

### **Common arrangements:**

- Public Works and Government Services Canada (PWGSC) centrally administers the payments of salaries and benefits, the procurement of some goods and services, as well as the provision of accommodations on behalf of AANDC;
- Justice Canada provides legal services.

- Treasury Board Secretariat provides AANDC with a) a percentage ratio to be used when calculating the severance pay liability for purposes of its financial statements and b) an annual dollar figure for the services it provides without charge for the health and dental care insurance plans, which are funded centrally.
- Shared Services Canada (SSC) provides IT infrastructure services to AANDC in the areas of data centre and network services. The scope and responsibilities are addressed in the interdepartmental arrangement between SSC and AANDC.

### **3.0 AANDC's assessment results during fiscal year 2012-2013**

During 2012-2013, AANDC completed all the design effectiveness testing and most of its operating effectiveness testing of key control areas.

#### **3.1 Design effectiveness of key controls**

In the current year, the department completed design effectiveness testing of the last remaining key processes entity level controls.

##### **Entity-Level Controls**

- Entity Level Controls design effectiveness assessment has been completed for the five control objectives elements. The five elements being: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.

##### **Environmental Liabilities**

- An update has been performed on the status of the remaining controls to be implemented as identified in the Remediation of Design Effectiveness Environment Liabilities report.
- Some remediation items have been implemented while others require further progress.

#### **3.2 Operating effectiveness testing of key controls**

##### **Information Technology General Controls**

- Remediation implementation plans are in place.
- AANDC plans to adopt Health Canada's financial management system (SAP) and Health Canada plans to adopt AANDC's transfer payments management system (GCIMS). Each will benefit by moving to common systems.
- Follow-up on the remediation plans will be adjusted and undertaken once AANDC has completed the work required for migration to SAP.

## **Business Process Controls**

As a result of the operational effectiveness assessment, the overall conclusion is that AANDC maintained an effective internal control in the majority of the key activities of financial reporting. However, certain areas required corrective action and management action plans have been developed in order to further strengthen overall accountability, and to improve the management of AANDC's processes. Pertinent corrective action is described in the following business processes:

### Comprehensive Claims

- Strengthen the process of providing evidence to support the verification of the delegated signing authority.

### General Litigation

- Strengthen the process of recording prior year cancelled cheques.

### Financial Reporting

- Strengthen the process of communicating delegation instruments during acting assignments.

### Direct Loans

- Financial Policy, Training, and Internal Control unit (FPIC) along with Assurance Services Branch completed a collaborative approach to assess Direct Loans operational effectiveness of key controls.
- The audit concluded that AANDC has implemented adequate key governance and operational processes and controls to support the efficient and effective delivery of required services and support to the loans management process.

### Specific Claims

- Financial Policy, Training, and Internal Control unit (FPIC) along with Assurance Services Branch undertook a collaborative approach to assess Specific Claims operational effectiveness of key controls.
- The audit concluded that AANDC has implemented key governance and operational processes to support the efficient and effective delivery of required services and support to the Specific Claims Process (SCP). Specifically, AANDC has implemented sound practices in the areas of financial and resource planning, monitoring, communication, performance measurement, claims and loan processing and financial controls.

## Guaranteed Loans

While the operating effectiveness testing for Guaranteed Loans was not completed as planned for fiscal 2012-2013, results of the steps taken during the year include the following:

- Design effectiveness business flowchart and narrative have been updated to reflect substantial changes impacting the business process as a result of the implementation of a new management system.
- Implementation of the Policy on Receipt, Deposit and Recording of Money and Other Financial Securities instruments effective as of February 1, 2013.

## **Entity Level Controls**

While the operating effectiveness testing for Entity Level Controls was not completed as planned for fiscal 2012-2013, progress during the year led to the following:

- The ranking of the controls objective elements has been established based on risk profile in order to perform the operational effectiveness testing.
- The operational effectiveness assessment of the control objective elements was begun for; Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.

## **Environmental Liabilities**

The operational effectiveness testing was not completed as planned for fiscal 2012-2013; results of the steps taken during the year indicate the following:

- Implementation of the Policy on Accounting for Environmental Liabilities effective as of October 1, 2012.
- Operational effectiveness testing was initiated by identifying the 10 key controls from the original 44 controls. The CFO branch continues to gather the remaining supporting documentation from the sectors.

### **3.3 On-going monitoring of key controls**

- A draft of an on-going risk-based monitoring program was developed as planned.

## **4.0 AANDC's action plan**

### **4.1 Progress during fiscal year 2012-2013**

During 2012-2013, AANDC made significant progress in the implementation of the previous year's remediation plan. This includes, but is not limited to:

- Introduction of the following accounting and financial policies;
  - Policy on Receivables Management,
  - Policy on Account Certification,
  - Policy on Expenditures Initiation and Commitment,
  - Policy on Accounting for Environmental Liabilities, and
  - Policy on Receipt, Deposit and Recording of Money and Other Financial Securities instruments.

- Specimen signature card renewal project has been implemented.

Below is a summary of the main progress made by AANDC:

**Summary of progress during fiscal year 2012-2013:**

<b>Elements in action plan</b>	<b>Plan for 2012-2013 per prior year's action plan</b>	<b>Actual – 2012-2013</b>
<b>Assessment of design effectiveness of key controls:</b>		
Testing of design effectiveness of key controls	Entity Level Controls	Completed
Remediation of key control design deficiencies	Entity Level Controls Environmental Liabilities Tangible Capital Assets Revenue Management and Guaranteed Deposits	Completed Substantially advanced Completed Completed
<b>Assessment of operating effectiveness of key controls:</b>		
Testing of operating effectiveness of key controls	Comprehensive Claims General Litigation Financial Reporting Direct Loans Specific Claims Guaranteed Loans Entity Level Controls Environmental Liabilities	Completed as planned Completed as planned Completed as planned Completed as planned Completed as planned Not started Commenced Commenced
Remediation of operating effectiveness of key control deficiencies	Comprehensive Claims General Litigation Financial Reporting Direct Loans	Completed as planned Completed as planned Completed as planned Completed as planned

	Specific Claims	Completed as planned
	Guaranteed Loans	Not started
	Entity Level Controls	Not Started
	Environmental Liabilities	Not started

The assessment of operating effectiveness of Guaranteed Loans has been delayed due to the review and update of the business process mapping. Operational assessment will be performed in 2013-2014,

Entity Level Control operational effectiveness testing has begun as per AANDC's developed "Plan and Approach to Operational Effectiveness Testing".

Environmental Liabilities operational effectiveness testing was started and will be completed in 2013-2014.

#### **4.2 Status and action plan for the next fiscal year and subsequent years**

Building on progress to date, AANDC continues to be positioned to complete the assessment of its system of ICFR in 2014-2015.

##### **By end of 2013-2014 AANDC plans to have:**

- Continued advancement of the testing of the operational effectiveness of key controls at all levels as well as addressing any related remediation. Focus in this particular year to be Guaranteed Loans, Revenue Management, and Guaranteed Deposits.
- Completed the testing of Entity Level Controls operational effectiveness of all high risk control objective elements and address any related remediation.
- Continued advancement on the implementation of the Environmental Liabilities Control framework which started in 2011-2012.
- Follow-up on Environmental Liabilities management action plans to determine whether actions have been taken by the sectors to ensure that controls are implemented.
- Completed the Environmental Liabilities Operational Effectiveness testing of the ten identified key controls.



**By end of 2014-2015 AANDC plans to have:**

- Completed the testing of Entity Level Controls operational effectiveness of medium risk control objective elements and address their related remediation.
- Continue advancement of the testing of the operational effectiveness of key controls at all levels as well as address any related remediation. Focus in this particular year to be Tangible Capital assets.
- Updated the Policy on Accounting for Environmental Liabilities to reflect the current environment.
- An on-going risk-based monitoring program to ensure that an effective system of internal controls over financial reporting is maintained and those significant changes to entity, IT general and business processes level controls are documented in a timely manner and key internal controls are tested.

**Action Plan Summary – Completed in previous years, completed in current year, next fiscal year and subsequent years**

<b>Control Level</b>	<b>Assess Design Effectiveness</b>	<b>Remediate Design Effectiveness</b>	<b>Assess Operational Effectiveness</b>	<b>Remediate Operational Effectiveness</b>
<b>Entity Level Controls</b>	CCY 2012-2013	CCY 2012-2013	PCD 2013-2014	PCD 2013-2014
<b>Information Technology General Controls</b>				
OASIS	CPY 2007-2008	CPY 2011-2012	CPY 2007-2008	CPY 2011-2012
FNITP/GLMM	CPY 2007-2008	CPY 2011-2012	CPY 2007-2008	CPY 2011-2012
RIMS	CPY 2007-2008	CPY 2011-2012	CPY 2007-2008	CPY 2011-2012
OSMS/RPS	CPY 2008-2009	CPY 2011-2012	CPY 2008-2009	CPY 2011-2012
TFMS	CPY 2011-2012	CPY 2011-2012	CPY 2011-2012	CPY 2011-2012
<b>Business Processes</b>				
Grants and Contributions	CPY 2008-2009	CPY 2010-2011	CPY 2011-2012	CPY 2011-2012
Purchases, Payables and Payments	CPY 2008-2009	CPY 2009-2010	CPY 2011-2012	CPY 2011-2012
Payroll	CPY 2008-2009	CPY 2010-2011	CPY 2011-2012	CCY 2012-2013
Trust Accounts	CPY 2009-2010	CPY 2010-2011	CPY 2011-2012	CPY 2011-2012
Direct Loans	CPY 2009-2010	CPY 2010-2011	CCY 2012-2013	CCY 2012-2013
Guaranteed Loans	CPY 2009-2010	CPY 2010-2011	PCD 2013-2014	PCD 2013-2014
Revenue Management & Guaranteed Deposits	CPY 2010-2011	CPY 2011-2012	PCD 2013-2014	PCD 2013-2014
Tangible Capital Assets	CPY 2010-2011	CPY 2011-2012	PCD 2014-2015	PCD 2014-2015
Comprehensive Claims	CPY 2009-2010	CPY 2010-2011	CCY 2012-2013	CCY 2012-2013
Specific Claims	CPY 2009-2010	CPY 2010-2011	CCY 2012-2013	CCY 2012-2013
Environmental Liabilities	CPY 2009-2010	PCD 2013-2014	PCD 2013-2014	PCD 2013-2014
General Litigation Liabilities	CPY 2009-2010	CPY 2010-2011	CCY 2012-2013	CCY 2012-2013
Financial Reporting	CPY 2008-2009	CPY 2010-2011	CCY 2012-2013	CCY 2012-2013

CPY - Completed in Previous Year  
PCD – Planned Completion Date  
CCY – Completed Current Fiscal Year