

# Yukon Public Accounts

2023–24



  
**Yukon**

YUKON PUBLIC ACCOUNTS  
for the year ended March 31, 2024





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**Department of Finance**

October 24, 2024

The Honourable Adeline Webber  
Commissioner of Yukon

I have the honour to submit herewith the Yukon Public Accounts for the fiscal year ended March 31, 2024.

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Sandy Silver  
Minister of Finance

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# YUKON PUBLIC ACCOUNTS

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PART ONE

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS



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GOVERNMENT OF YUKON  
**Consolidated Financial Statement Discussion and Analysis**  
**for the year ended March 31, 2024**

## Introduction

The Yukon Public Accounts, produced annually, provides clarity and transparency for Yukoners by comparing the financial results for the 2023–24 fiscal year against the 2023-24 Main Estimates (Budget) and against the previous year's financial results. The Government is responsible for the accuracy, objectivity and integrity of this information.

The Financial Statement Discussion and Analysis expands upon and further explains information contained in the Consolidated Financial Statements, which are presented in Part Two of the Yukon Public Accounts. This is intended to assist readers in their analysis of the Yukon's fiscal health and Government's financial performance with the resources it has been entrusted. To do this effectively, this report presents a highlights summary, assessment of fiscal health, indicators of financial and economic conditions, details section and a summary of risks and mitigation.

## 2023-24 Highlights Summary

### Financial Results

(thousands of dollars)	2024		2023	Change from	
	Budget	Actual	Actual	Budget	2023 Actual
Revenues	1,945,184	2,003,410	1,910,077	58,226	93,333
Expenses <sup>1</sup>	1,865,216	2,006,641	1,787,214	141,425	219,427
<b>Surplus / (Deficit)</b>	<b>79,968</b>	<b>(3,231)</b>	<b>122,863</b>	<b>(83,199)</b>	<b>(126,094)</b>
<b>Accumulated Surplus</b>		<b>2,027,812</b>	<b>2,029,392</b>		<b>(1,580)</b>
<b>Net Financial Assets (Debt)</b>		<b>(196,055)</b>	<b>10,743</b>		<b>(206,798)</b>

<sup>1</sup> Expenses shown net of Recovery of Prior Years' Expenses

The Government is reporting an annual deficit of \$3.2 million on a revenue base of approximately \$2.0 billion.

The \$83.2 million difference between the \$3.2 million deficit and the expected \$80.0 million surplus presented in the 2023-24 budget is due to higher revenues (\$58.2 million, or 3.0%), offset by higher than anticipated expenses (\$141.4 million, or 7.6%).

Revenues were higher than budgeted largely due to higher than expected transfers from the Government of Canada and from funding and service level agreements with other parties, specifically recoveries relating to the Minto mine; while tax and general revenue resulted in less revenue than expected.

Expenses were higher than budgeted, and the functions with the largest increases compared to the 2023-24 budget were health and social services, natural resources and justice.

The \$3.2 million deficit is \$126.1 million less than the \$122.9 million surplus in 2022-23. Total revenues compared to the previous year increased by \$93.3 million (4.9%), while total expenses increased by \$219.4 million (12.3%).

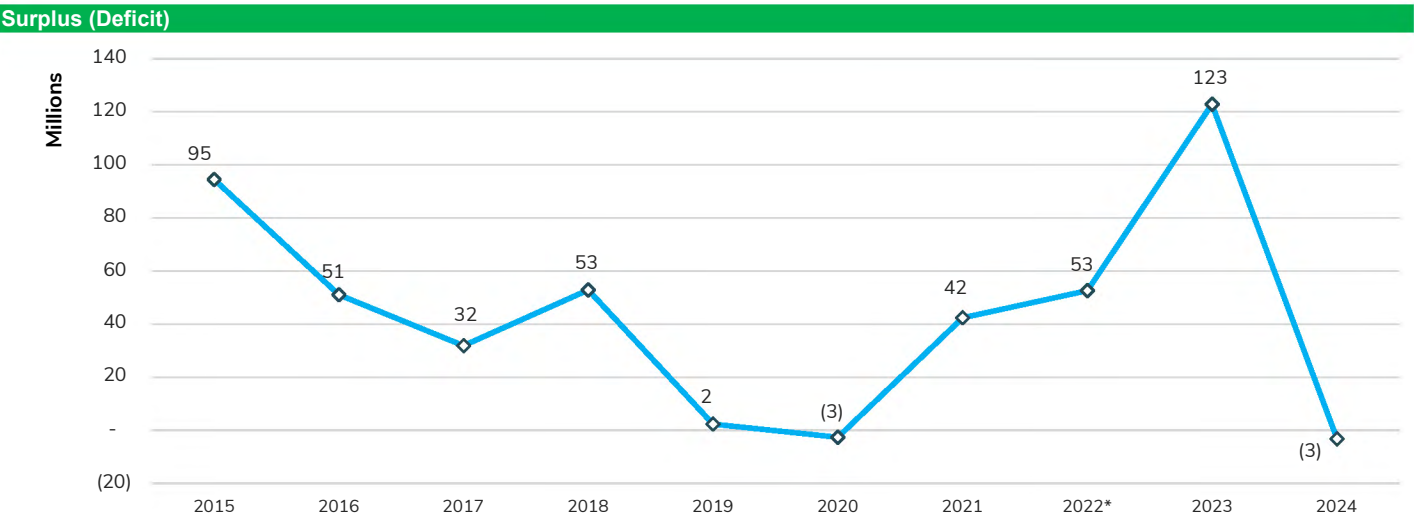
The increases in revenue were driven by a \$70.5 million increase in funding from the Government of Canada and \$30.9 million from funding and service agreements. While the year-over-year increase in expenses of \$219.4 million was mostly from natural resources, health and social services and education.

In 2023-24 the Government had net financial debt of \$196.1 million compared to 2022-23 in which it had net financial assets of \$10.7 million.

Highlights

Surplus (Deficit)

The surplus (deficit) represents the amount by which revenue exceeds expense (expense exceeds revenue) for the fiscal period.

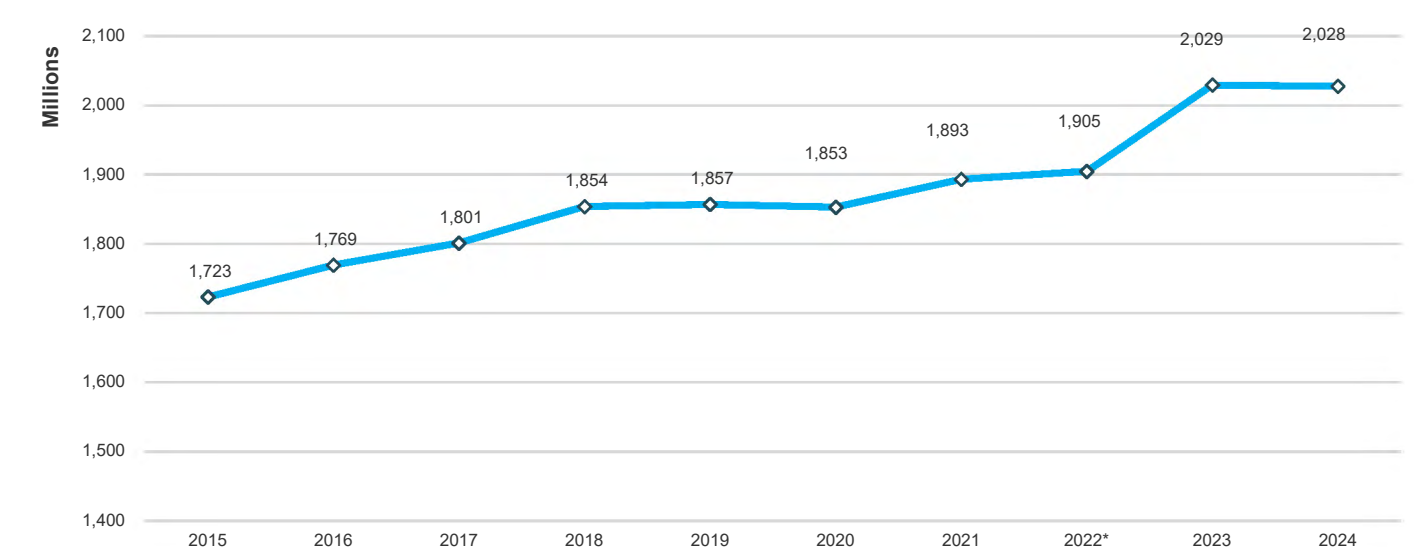


\* 2022 restated due to adoption of PS 3280

The deficit of \$3.2 million for the year was a \$126.1 million decline compared to the previous year's surplus of \$122.9 million and \$83.2 million decline than the budgeted surplus of \$80.0 million. A deficit/surplus is driven by two factors - revenues and expenses. The Government's revenue is largely made up of the formula financing grant from the Government of Canada and tends to be stable over time. Expenses are a result of direct government spending and transfers to service territorial needs. Compared to 2022-23, the current year deficit is largely due to increased expenses primarily in the health and social services, education and natural resources functions offset to a degree by increased revenues in the form of transfers from the Government of Canada.

Accumulated Surplus

An accumulated surplus represents the government's reported net economic resources. An accumulated surplus is the net of all past surpluses and deficits and is a measure of economic resources to provide future services.



\* 2022 restated due to adoption of PS 3280

As of March 31, 2024, the Government is reporting an accumulated surplus of \$2.028 billion which is a decrease of \$1.6 million from the previous year's accumulated surplus of \$2.029 billion. The decrease in accumulated surplus during 2023-24 is due to the current year's annual operating deficit of \$3.2 million, plus the net remeasurement gain of \$1.6 million.



Highlights

Net Financial Assets (Debt)

Net financial assets (debt) represent the amount of financial resources that the Government has to finance future transactions.



\* 2022 restated due to adoption of PS 3280

The net financial assets (debt) of the Government is calculated as:

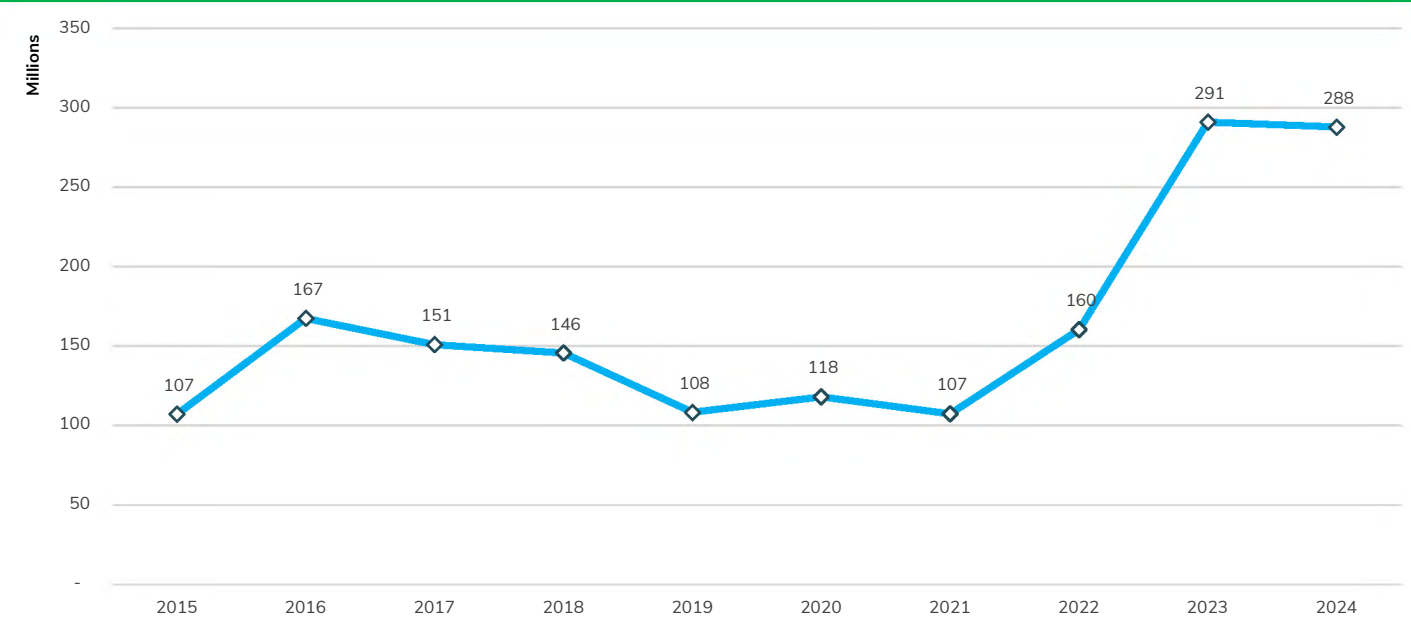
- The financial assets consisting of cash and cash equivalents, portfolio investments, due from Government of Canada, accounts receivable, advances to government business enterprises, loans receivable, inventories for resale, retirement benefit assets and investment in government business enterprises; offset by
- The liabilities consisting of bank advances and short-term borrowings, due to Government of Canada, accounts payable and accrued liabilities, unearned revenues, environmental liabilities, asset retirement obligation liabilities, post-employment benefits and compensated absences, retirement benefit liabilities, borrowings and liabilities for leased tangible capital assets.

Highlights

Investment in Tangible Capital Assets

The Government invests in acquiring, building and maintaining infrastructure and other tangible capital assets to provide services to residents. Total annual capital spending consists of investments in tangible capital assets and the amounts transferred to third parties (e.g., municipalities, First Nations) for capital purposes.

Investment in Tangible Capital Assets



In 2023-24, the Government recorded tangible capital asset additions of \$288 million for the acquisition and development of assets such as buildings and transportation infrastructure, IT assets, equipment and vehicles, compared to \$291 million in 2022-23.

Expenditures in 2023-24 on multi-year capital projects included: \$30.1 million on the Whitehorse Airport Runway and taxiway projects, \$20.5 million on the Whistle Bend School project, \$1.2 million on Burwash School, \$44.0 million on the Dempster Fibre project, \$10.0 million on the Carmacks Bypass project, \$6.0 million on the Old Crow 10-Plex, \$12.3 million on the Old Crow Health Centre, 10.4 million on the gymnastics and climbing facility and \$1.0 million on Selkirk Parking lot upgrade.

Also in 2023-24, the Government's construction work on various roads and highways was over \$15.5 million, while bridge work on the Alaska, Klondike, and Robert Campbell highways was in excess of \$75.5 million, including \$64.3 million for the Nisutlin Bay Bridge.

Assessment of Fiscal Health

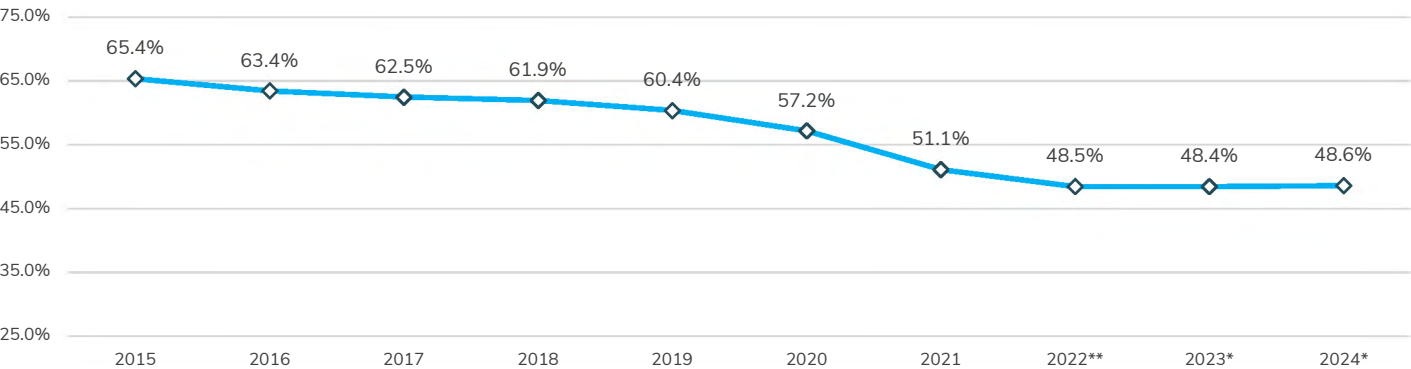
The Government's fiscal performance can be assessed by examining its overall economic and financial environment. This assessment takes into consideration, the Government's ability to meet its existing financial obligations to provide services to the public and its financial commitments to its creditors, employees and others by focusing on key sustainability, flexibility and vulnerability indicators.

Sustainability

Sustainability is a measure indicating the degree to which the Government can maintain its existing level of spending and meet its existing debt obligations.

Accumulated Surplus to the Territory's Nominal Gross Domestic Product (GDP)\*

This graph compares the Government's accumulated surplus to the Yukon's GDP as a percentage.



\* Estimate Nominal GDP: 2023 - \$4,189 million; Forecast Nominal GDP 2024 - \$4,174 million based on Interim Fiscal Economic Outlook Update (October 2024)

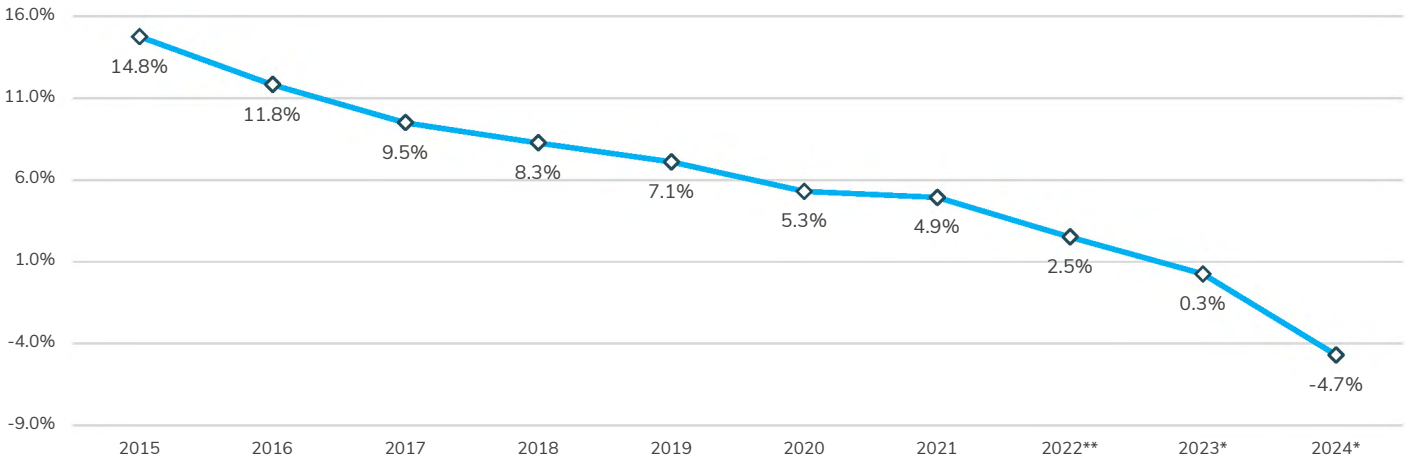
\*\* 2022 restated due to adoption of PS 3280

The accumulated surplus measures the sum of all current and prior years' operating results and remeasurement gains and (losses). Gross Domestic Product (GDP) is a measure of the value of the goods and services produced during a year and is a commonly used measure of the size of the Yukon's economy. The trend of this ratio provides an indication of whether the accumulated surplus is growing faster or slower than the economy.

This trend highlights that the accumulated surplus has remained steady for the last three fiscal year in relation to the territory's GDP.

Net Financial Assets (Debt) to the Territory's Nominal GDP\*

This graph compares the Government's net financial assets (debt) to the Yukon's GDP as a percentage.



\* Estimate Nominal GDP: 2023 - \$4,189 million; Forecast Nominal GDP 2024 - \$4,174 million based on Interim Fiscal Economic Outlook Update (October 2024)

\*\* 2022 restated due to adoption of PS 3280

The net financial assets (debt) to GDP ratio indicates the financial demands placed on the economy by the Government's policies such as taxation. A low ratio indicates the Government has not placed excessive demands on the economy.

The downward trend partly stems from the Government's continued consumption of its resources and increased investment in tangible capital assets (non-financial assets) in response to the growing need for government services by its residents. For all years presented, outside of 2015 and 2024, the territory's nominal GDP posted growth, which also weighed on the annual ratios. In 2024 the ratio became negative (as it has in most Canadian jurisdictions) and currently represents the portion of GDP that is required to return the Government to a positive net financial asset position.

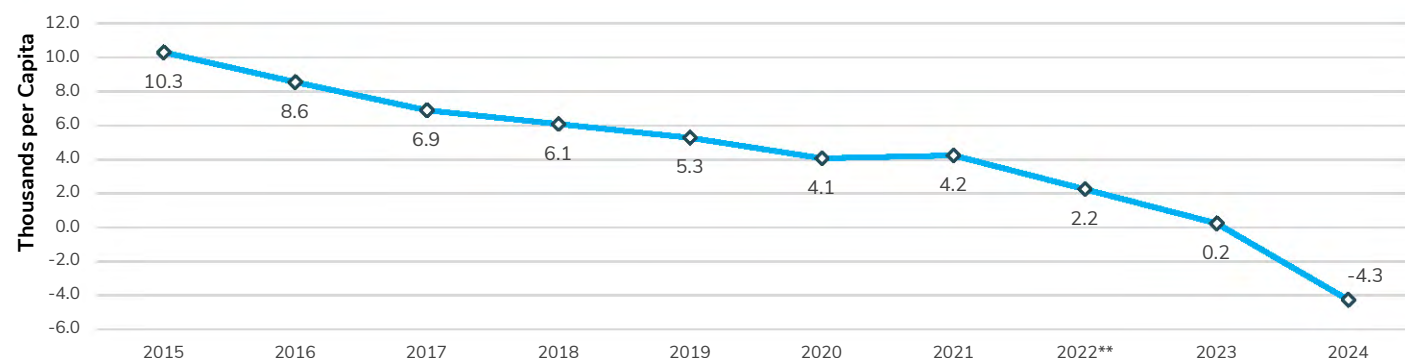


## Assessment of Fiscal Health

### Sustainability (continued)

#### Net Financial Assets (Debt) per Capita\*

Net financial assets (debt) per capita represents the net financial assets applicable to each Yukon resident.



\* Forecast 2024 population

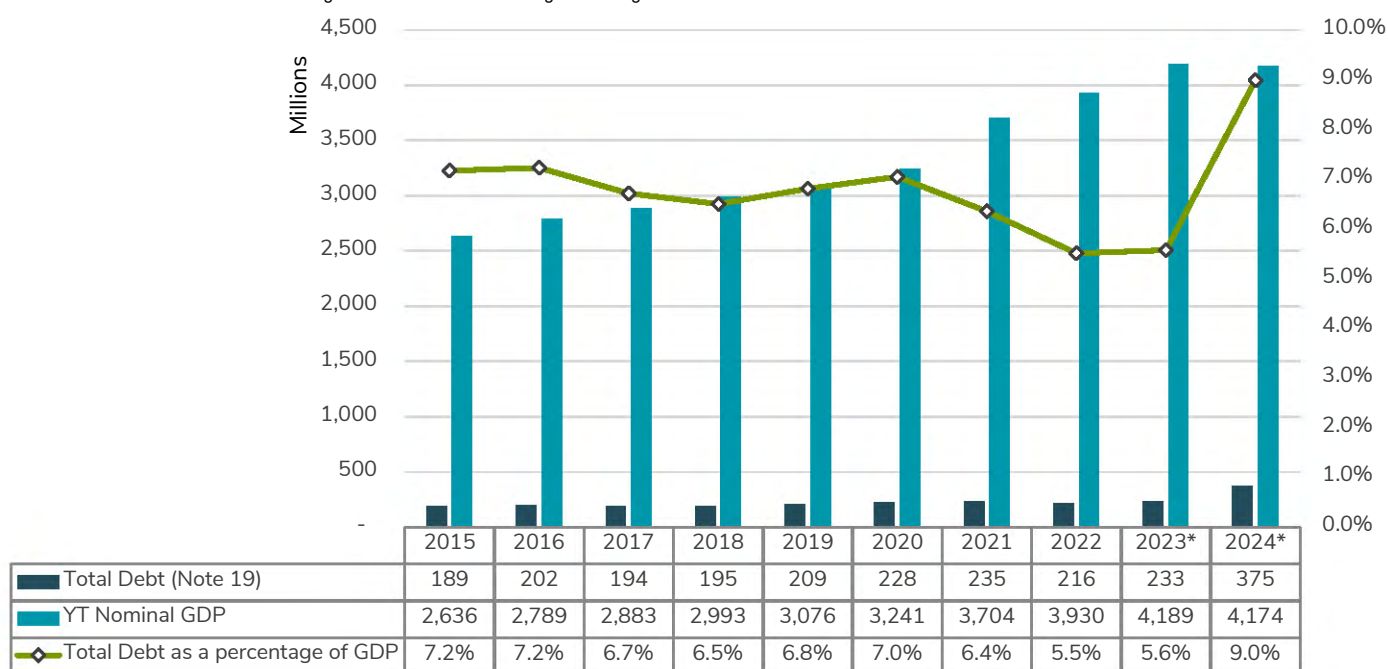
\*\* 2022 restated due to adoption of PS 3280

The downward trend of the ratio indicates that the Government's net financial assets (debt) per capita is decreasing as the population continues to grow (refer to "Population and Unemployment Rate" chart).

#### Total Debt as a percentage of Nominal GDP

The Government's Total Debt<sup>1</sup>-to-GDP ratio shows the relationship between the amount of money the Government has borrowed and the performance of the economy. The borrowing limit, as outlined in Note 19 to the Consolidated Financial Statements, and as defined under the Yukon Borrowing Limits Regulations, includes debt of all entities of the Government. If the ratio is declining, growth in the economy is exceeding increase in Total Debt, resulting in improved sustainability. Equally, an increasing Total Debt-to-GDP ratio indicates that Total Debt is rising faster than growth in the economy which could impact the Yukon's financial sustainability.

<sup>1</sup> Total Debt is defined as value of borrowings under the Yukon Borrowing Limits Regulations



\* Estimate Nominal GDP: 2023 - \$4,189 million; Forecast Nominal GDP 2024 - \$4,174 million based on Interim Fiscal Economic Outlook Update (October 2024)

On March 31, 2024, as per Note 19 to the Consolidated Financial Statements, the Government has total debt of \$375.0 million (2023 - \$233.5 million) which is 46.9% (2023 - 29.2%) of the limit allowed.

Between 2015 and 2021, the Government maintained a Total Debt to GDP ratio of 6.5% to 7.2% which then averaged 5.5% in 2022 and 2023. In 2024, the Nominal GDP forecast shows a marginal downward adjustment compared to 2023 with a Total Debt to GDP ratio of 9% indicating that the Total Debt has grown at a slightly faster rate than the economy.

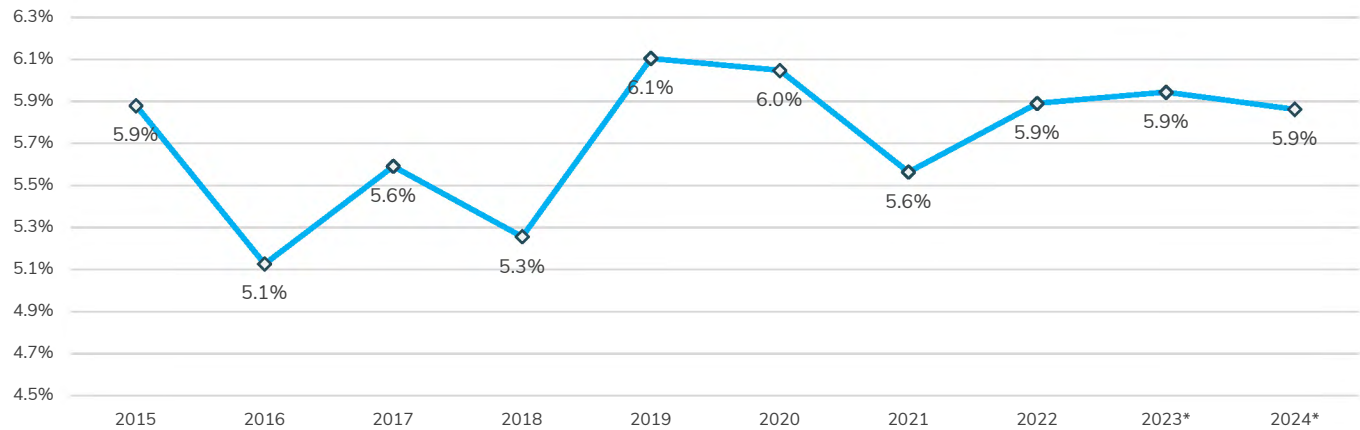
Assessment of Fiscal Health

Flexibility

Flexibility is a measure indicating the room that the Government has to maintain its services by increasing its demands on the economy through changes to fees or taxes.

Own-Source Revenue to the Territory's Nominal GDP\*

In this graph, own-source revenue refers to the Government's taxes and general revenue and is compared against the Yukon's GDP.



\* Estimate Nominal GDP: 2023 - \$4,189 million; Forecast Nominal GDP 2024 - \$4,174 million based on Interim Fiscal Economic Outlook Update (October 2024)

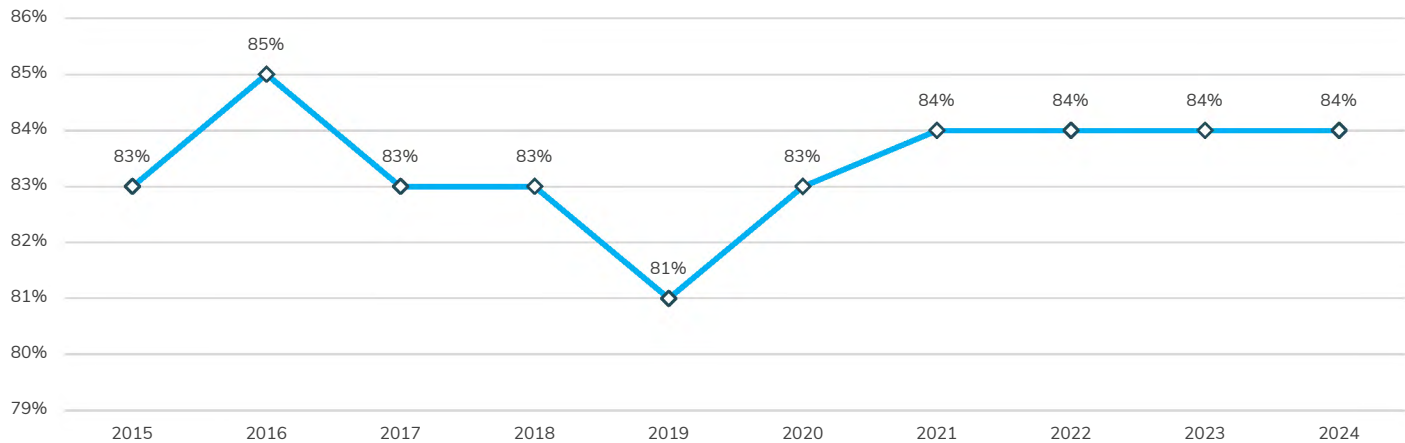
This ratio indicates to what extent the Government is taking economic resources out of the territory's economy through user fees or taxation. This ratio is relatively constant over time, indicating that the Government has not changed its demands on the economy. The ratio is also relatively low compared to other Canadian jurisdictions and indicates that the Government has some flexibility in increasing taxes and other fees without causing a severe impact on the economy.

Vulnerability

Vulnerability is the extent to which the Government is exposed to a risk associated with revenue sources that are outside of its control.

Transfers from the Federal Government to Total Revenue

In this graph, transfers from the Government of Canada include the formula financing grant, other grants such as Canada health, Canada social and cannabis transfers and contributions and service agreements with the Government of Canada.



In 2023-24, the Government again received 84% of its revenue from the Government of Canada within the range of 81% to 85% seen over the past decade. This ratio is consistently high, indicating a reliance on the federal government to finance the Government's activities. While the Government has little control over these transfers, history has shown these transfers to be a relatively stable source of revenue from the Government of Canada.

Indicators of Financial and Economic Conditions

Since 2017, the Department of Finance has produced two publications per year that discuss the Yukon's recent fiscal and economic performance, as well as expectations for the territory's finances and economy for the medium-term. The Fiscal and Economic Outlook is introduced in the spring during the legislative sitting and an interim update is published in the fall. For the most recent discussion of the Yukon's economy and government finances refer to the 2024-25 Interim Fiscal and Economic Update (<https://yukon.ca/en/2024-25-interim-fiscal-and-economic-update>).

Credit Ratings - July 2024\*

Jurisdiction	Rating Agency <sup>1</sup> Standard & Poor's (S&P)	
	2024	2023
Yukon	AA	AA
British Columbia	AA(neg)	AA(neg)
Alberta	AA-	A+
Saskatchewan	AA	AA
Manitoba	A+	A+
Ontario	A+(pos)	A+(pos)
Quebec	AA-	AA-
New Brunswick	A+	A+
Nova Scotia	AA-	AA-
Prince Edward Island	A	A
Newfoundland & Labrador	A	A
Canada	AAA	AAA

\*Ratings reflect the latest credit ratings as per Government of Nova Scotia Public Accounts 2023-24

<sup>1</sup> The rating agencies assign letter ratings to borrowers. The major A bracket categories, in descending order of credit quality, are: AAA, AA, A. The "-" and "+" modifiers show relative standing within the major categories with (pos)/(neg) representing a positive/negative outlook or trend. For example AAA exceeds AA and AA exceeds AA-. (Source: Saskatchewan Public Accounts 2023-24)

On July 17, 2024, S&P Global Ratings affirmed its 'AA' long-term issue credit rating for the Yukon. In its summary, the rating agency states that "an extremely predictable and supportive institutional framework, along with strong direct support from the federal government, continues to underpin Yukon's credit profile." The rating agency highlighted that the "economy continues to be exposed to volatility in the mining sector, although healthy population growth and a strong tourism sector will help support growth in the next several years."

Population and Unemployment Rate (Calendar Year)

In 2023, the Yukon's total population reached 45,169 and forecasted to reach 49,700 by 2028.

Yukon's unemployment rate (UR) averaged 3.6% in 2023 which was below the national average of 5.4%. As noted in the chart below, since 2014, Yukon's unemployment rate has consistently been below the Canadian average.

Population and Unemployment Rate



Source: Statistics Canada, Interim FEO Update (October 2024)

## Details

### Surplus / (deficit) for the year

The Government's annual surplus or deficit resulting from its operations is dependent on various factors. Two of the most significant factors are:

- total revenues, of which the formula financing grant from the Government of Canada makes up the largest share; and
- direct Government spending and operating transfers to individuals and other public organizations, such as municipalities.

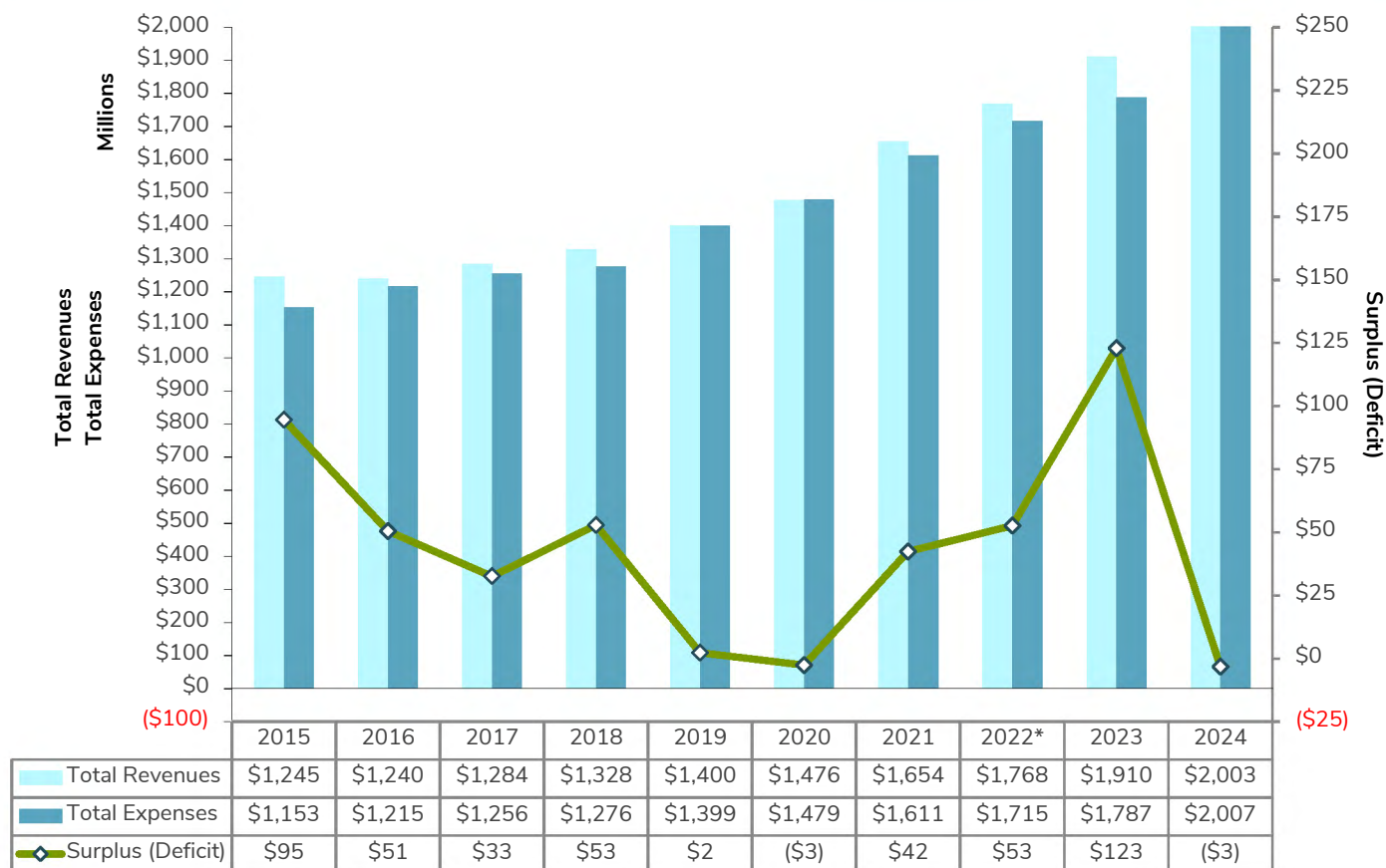
The deficit of \$3.2 million for the year was a decrease of \$126.1 million from the previous year's surplus of \$122.9 million and \$83.2 million lower than the budgeted surplus of \$80.0 million. Revenues increased by \$93.3 million from the previous year's actual and were \$58.2 million higher than budgeted. Expenses (net of prior years' expense recoveries) of \$2.007 billion for the year were higher than the initially budgeted amount of \$1.865 billion.

Major revenue variances between the current and prior year include a \$30.9 million (90.0%) increase in funding and service agreements with other parties, and a \$78.0 million (6.6%) increase in the formula financing grants. These were offset somewhat by less revenue in the following areas: income from contribution and service agreements from Government of Canada decreased \$21.1 million (6.7%), income from investment in GBEs decreased \$3.8 million (24.0%) and taxes and general revenues decreased by \$4.3 million (1.7%) from the previous year.

Expenses (net of prior years' expense recoveries) increased year-over-year by \$219.4 million (12.3%) with expenditures for natural resources contributing \$120.3 million (84.5%) increase, education contributing \$30.0 million (13.5%) increase, health and social services contributing \$75.9 million (13.1%) increase and justice contributing \$9.8 million (10%) increase.

The chart below illustrates the trend between revenues and expenses over the last decade.

### Revenues and expenses



\* 2022 restated due to adoption of PS 3280

## Details

### Carbon Price Rebate Program

The Parliament of Canada passed the *Greenhouse Gas Pollution Pricing Act* (Canada) in 2018. In response to this, the Yukon Legislature passed the *Yukon Government Carbon Price Rebate Act* (Yukon), which outlines how the government will rebate all amounts received from the Government of Canada for greenhouse gas pollution pricing. The intent of this Act is to ensure that all carbon levy funds received are treated as pass-through funding to Yukoners with no funds being retained by the Government and there being no impact on its surplus (deficit).

The *Yukon Government Carbon Price Rebate Act* (Yukon) created a restricted fund. The purposes of the Carbon Price Rebate Revolving Fund are the payment or crediting, on a revenue neutral basis and in accordance with this Act and the *Income Tax Act*, of amounts, on account of certain amounts that the Government receives from the Government of Canada under the federal Act. During fiscal 2019-20, the first amounts were received from the Government of Canada and shortly thereafter rebates began to be distributed. There were originally four main eligible groups: businesses, individuals, municipal governments and Yukon First Nation governments. In 2022-23, mining businesses were added as the fifth group.

The following is a summary of each year's activity and the status of the revolving fund as of March 31, 2024.

Revolving Fund Balance						
(thousands of dollars)						
	Cumulative to March 31, 2024	2023-24	2022-23	2021-22	2020-21	2019-20
<b>Opening Liability</b>	-	24,945	18,885	6,919	2,783	-
<b>Carbon amounts received from the Government of Canada</b>						
Business Allocation	42,622	11,035	11,687	11,470	6,210	2,220
Mining Business Allocation	4,425	3,678	747	-	-	-
Individuals Allocation	42,742	13,794	11,389	10,121	5,479	1,959
Municipal Governments Allocation	3,034	1,073	790	675	365	131
First Nations Governments Allocation	2,158	1,073	695	224	122	44
Subtotals	94,981	30,653	25,308	22,490	12,176	4,354
<b>Rebates distributed to eligible groups</b>						
Business	34,363	23,294	6,968	3,003	980	118
Mining Business Allocation	-	-	-	-	-	-
Individuals	39,685	14,042	10,742	6,791	6,628	1,482
Remote Supplement	738	249	207	152	130	-
Accrued due to timing cutoff	(66)	8	(39)	(11)	49	(73)
Individuals	40,357	14,299	10,910	6,932	6,807	1,409
Municipal Governments	1,961	790	675	365	131	-
First Nations Governments	2,158	1,073	695	224	122	44
Subtotals	78,839	39,456	19,248	10,524	8,040	1,571
<b>Closing Liability</b>	16,142	16,142	24,945	18,885	6,919	2,783
<b>Liability by eligible group</b>						
Business Allocation	8,259 *	(12,259)	4,719	8,467	5,230	2,102
Mining Business Allocation	4,425 **	3,678	747	-	-	-
Individuals Allocation	2,385	(505)	479	3,189	(1,328)	550
Municipal Governments Allocation	1,073	283	115	310	234	131
First Nations Governments Allocation	-	-	-	-	-	-
Annual Net Activity		(8,803)	6,060	11,966	4,136	2,783
Total Liability	16,142					

\* Government estimates \$11,600,000 of this amount has been claimed but has not been confirmed by the Canada Revenue Agency (CRA).

\*\* Government estimates \$4,200,000 of this amount has been claimed but has not been confirmed by CRA.

Details

Revenues

In 2023-24, the Government's total revenues increased compared to the previous year by \$93.3 million (4.9%) to \$2.003 billion (details provided in Schedule A to the Consolidated Financial Statements).

The Government receives the majority of its revenues from the Government of Canada through the formula financing grant, the Canada Health Transfer and the Canada Social Transfer. In 2023-24, the Government received \$1,252.1 million from the formula financing grant, an increase of \$78.0 million (6.6%) from the previous year. The Canada Health Transfer was \$57.6 million, and the Canada Social Transfer was \$18.4 million. These transfers increased from the previous year by a total of \$4.6 million (6.5%). The Government received \$30.7 million of carbon levies, \$15.0 million for affordable housing in the North and \$13.6 million from Public Safety Canada.

In addition, the Government receives funding from the Government of Canada for purposes such as health and social programs and education, as well as funding for infrastructure development. Contributions and service agreements from Canada decreased from the previous year by \$21.1 million (6.7%).

Taxes and general revenues include taxes on corporate income, personal income, tobacco, liquor, fuel, insurance premiums and property as well as licenses and fees such as motor vehicle licenses and business/professional fees. Taxes and general revenues decreased from the previous year by \$4.3 million (1.7%) to \$245.0 million. This was largely due to a \$7.7 million increase in sale of land, \$4.2 million increase in licenses, permits and fees and 3.4 million increase in investment and interest revenue offset by a \$26.1 million decrease in corporate income tax. The reduction in corporate income tax revenue is due to estimated corporate taxable income being lower than forecasted. Corporate taxable income is generally volatile and difficult to predict as it depends on economic trends, industry performance, corporate profits and when corporations file their taxes.

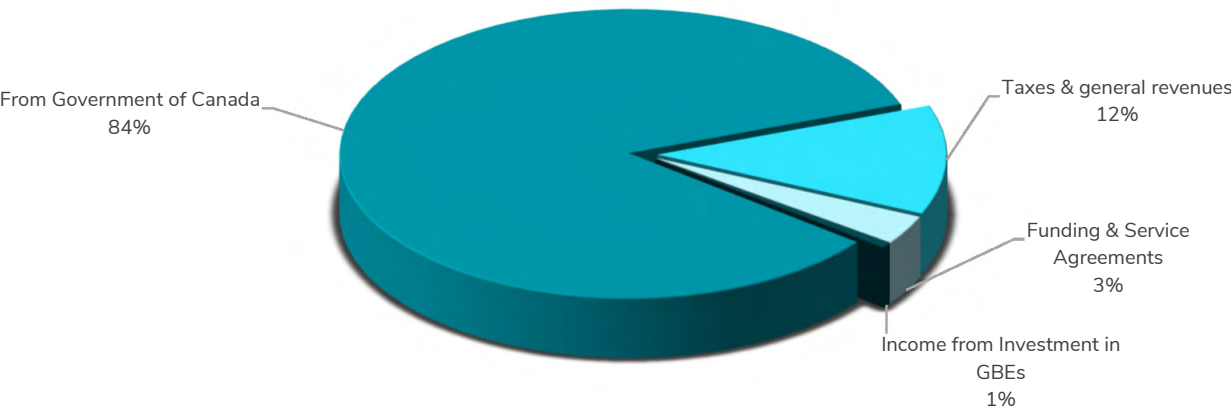
Funding and service agreements with other parties increased from the previous year by \$30.9 million (90.0%) to \$65.3 million. This was largely due to recoveries of \$23.8 million for reclamation work relating to Minto mine.

The income from investment in government business enterprises reported as revenue in the Consolidated Financial Statements represents the surpluses of government corporations that are categorized as government business enterprises (GBE). GBEs include the Yukon Liquor Corporation (YLC) and the Yukon Development Corporation (YDC), which includes the Yukon Energy Corporation in its results. Income from YLC was \$8.4 million while the income from YDC was \$3.6 million.

Revenues were higher than budgeted by \$58.2 million. This was primarily due to higher revenues from funding and service agreements with other parties and revenues from the Government of Canada, offset by lower revenues from sale of land, resource revenue, taxes and general revenues and income from investment in GBEs.

In 2023-24, the composition between different types of revenue remained consistent with previous years.

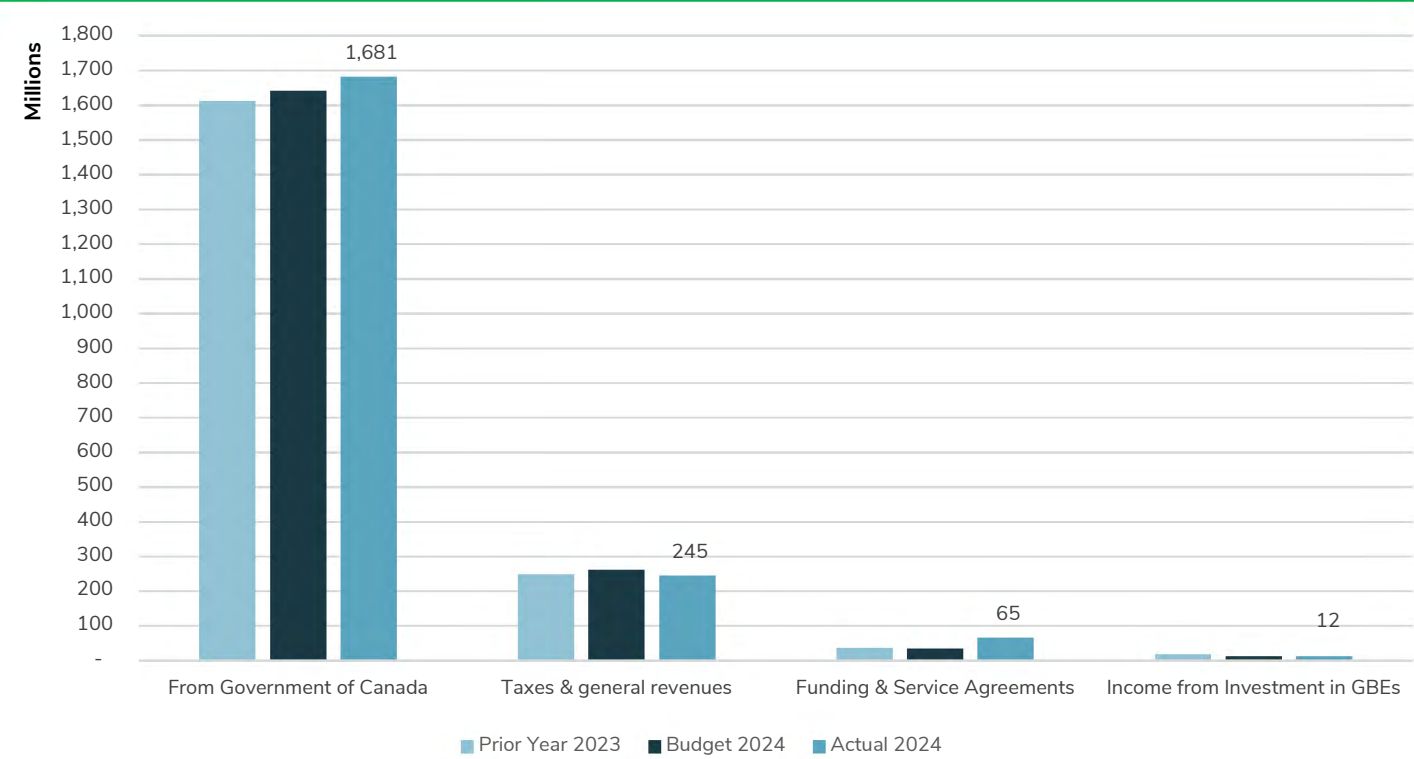
Revenue by source percentages



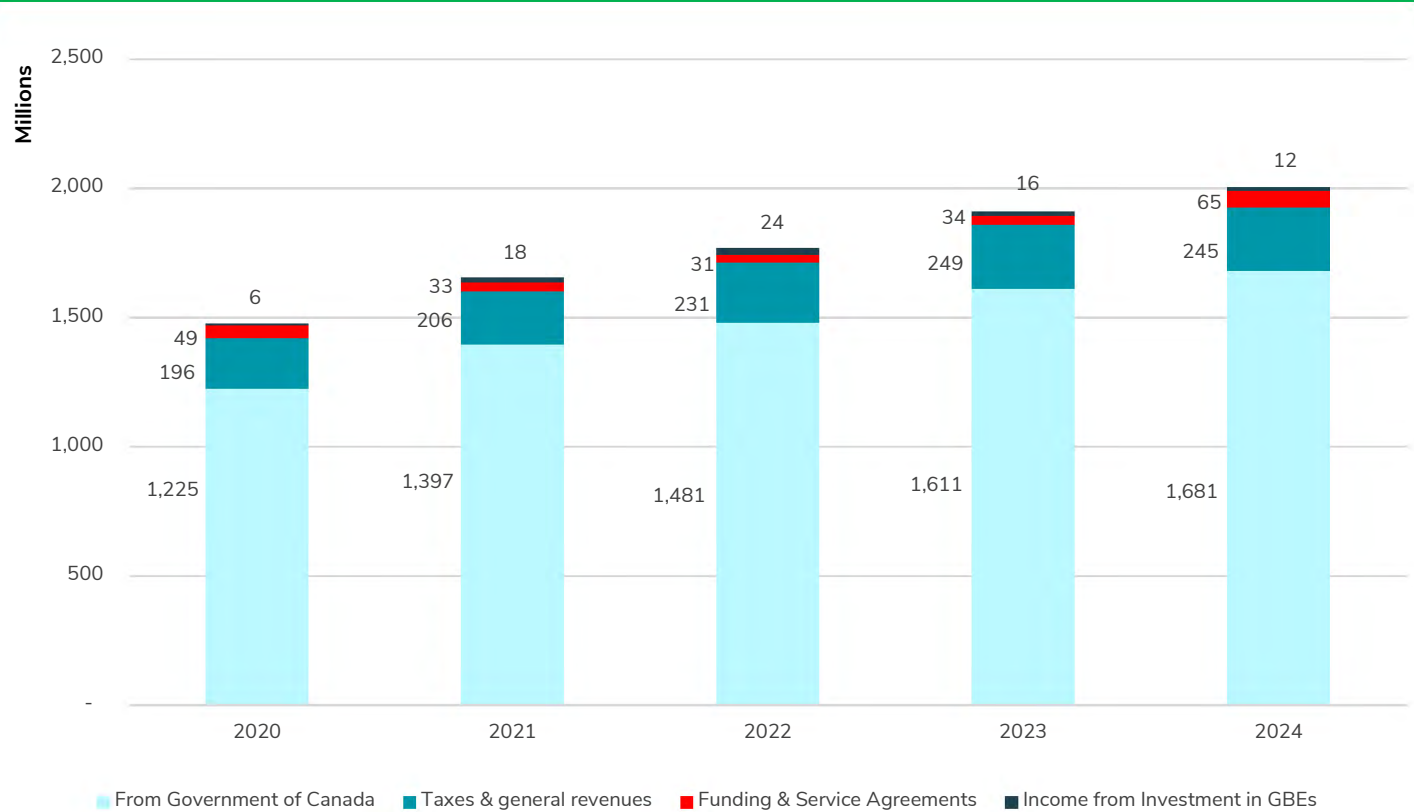


Revenues continued

Revenue by source - comparison to budget and prior year



Revenue by source five year trend comparison

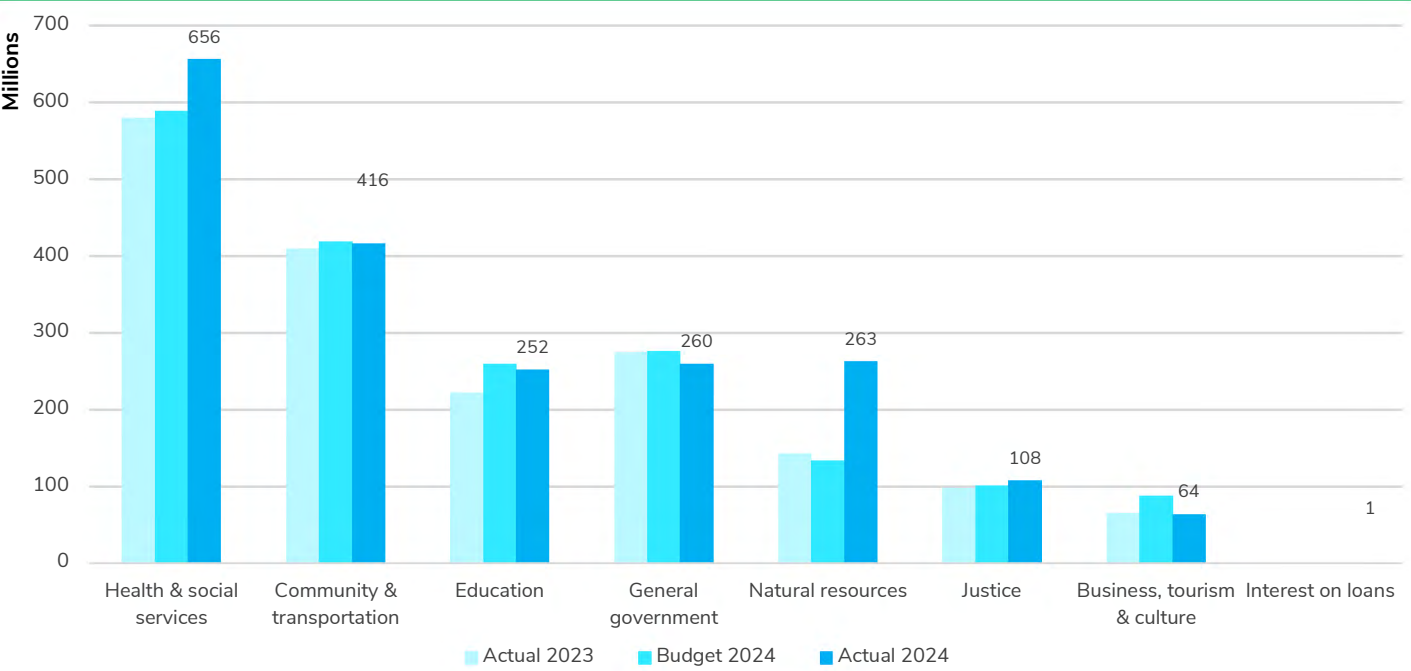


Details

Expenses

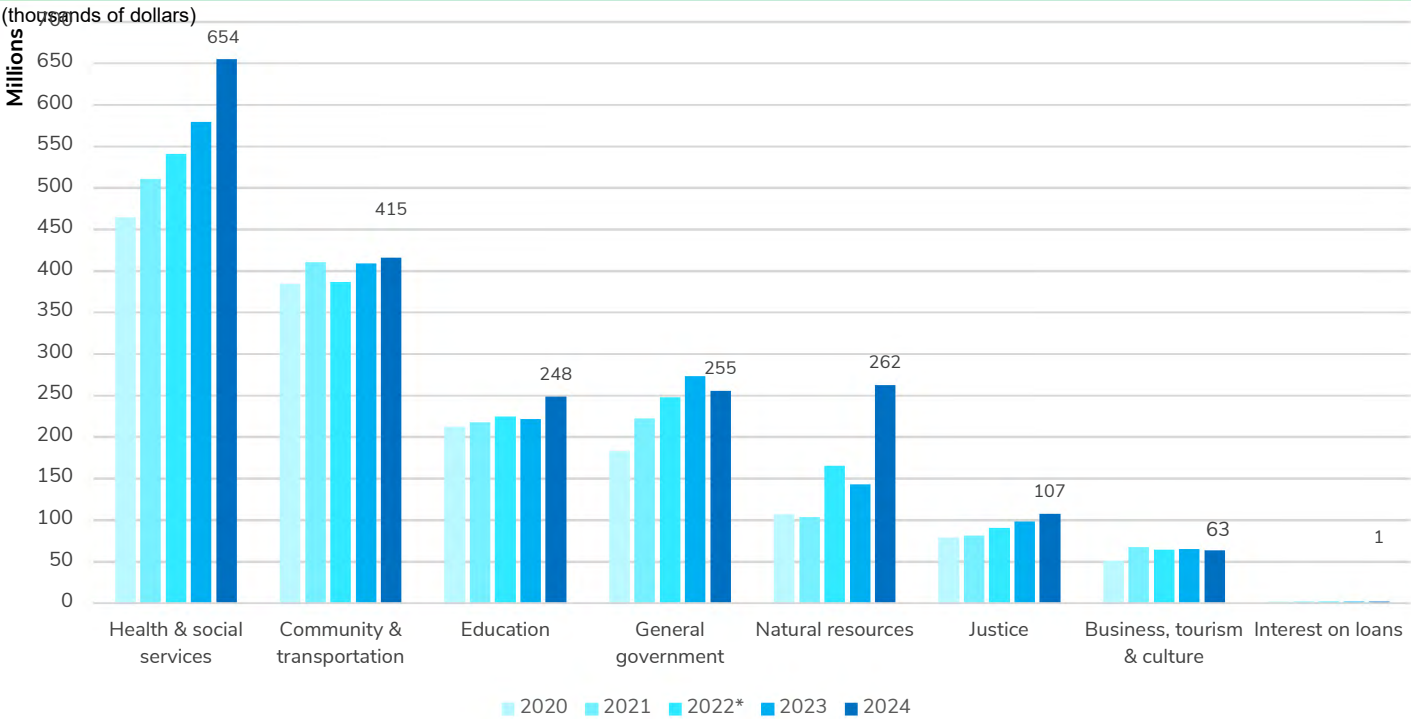
In 2023-24, the Government's expenses (net of prior years' expense recoveries) increased compared to previous year by \$219.4 million (12.3%) to \$2.007 billion.

Expenses by function comparison



Five functions had 2023-24 expenses that exceeded the previous year's expenses while three functions had reduction in their expenses. The largest increase was in the natural resources function, with an increase of \$120.3 million (84.5%), followed by a \$75.9 million (13.1%) increase in health and social services, a \$30.0 million (13.5%) increase in education, a \$9.8 million (10.0%) increase in justice and a \$6.4 million (1.6%) increase in community and transportation. General government decreased by \$14.5 million (5.3%) while business, tourism and culture decreased by \$1.0 million (1.6%) and interest on loans decreased marginally by \$0.01 million (1.0%). The interest costs for the corporate line of credit (\$2.2 million) is not reflected in the interest on loans but is included in the general government expenses.

Expenses by function five year trend comparison

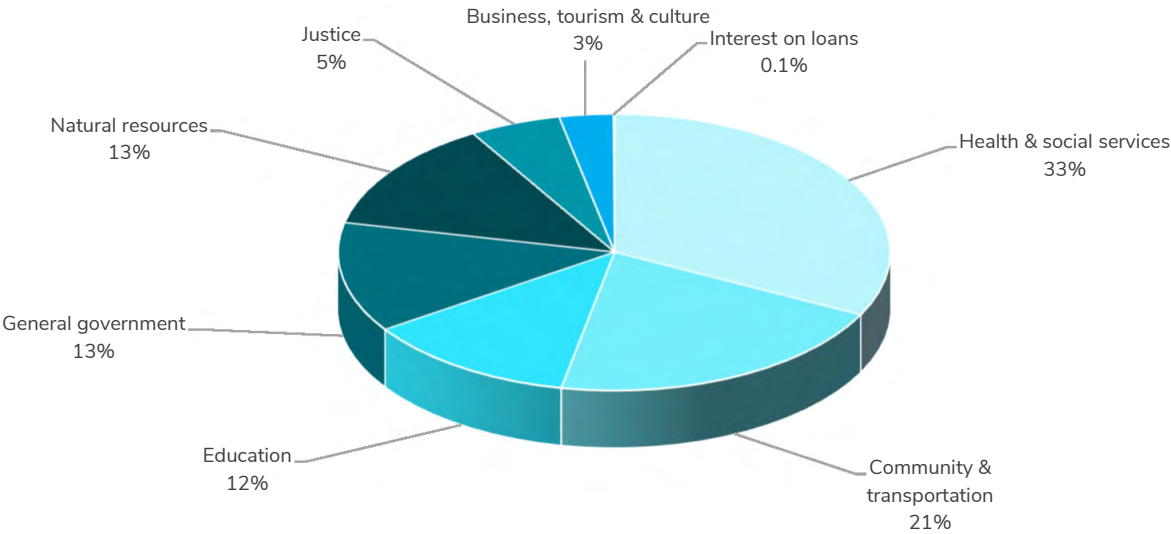


\* 2022 restated due to adoption of PS 3280



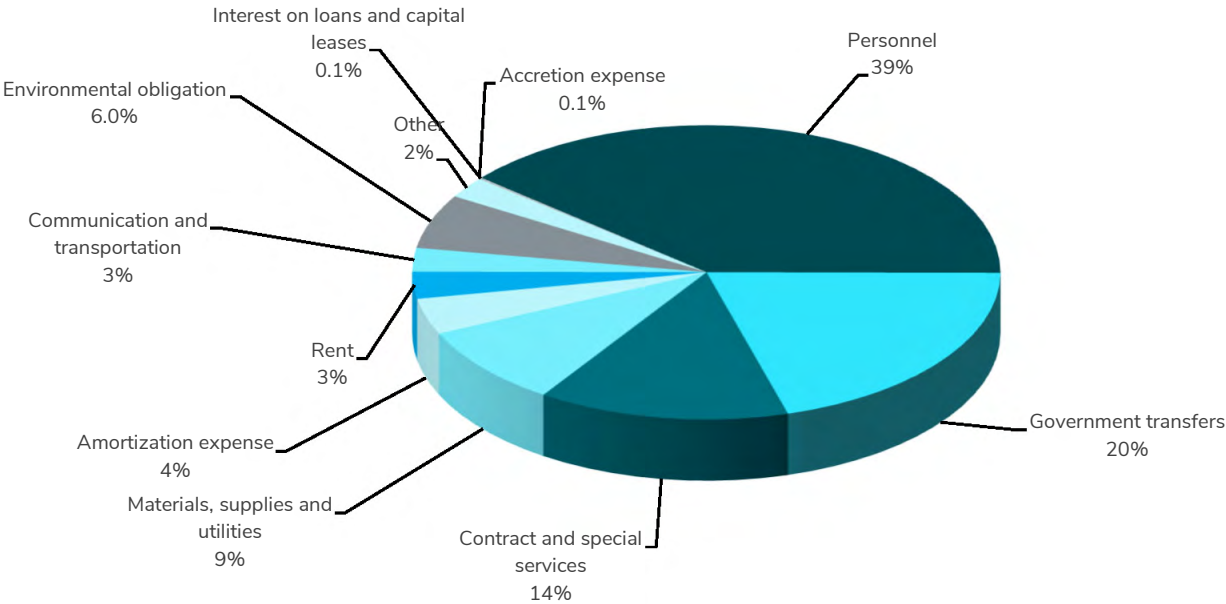
Expenses continued

Expense by function percentages



In 2023-24, the composition of expenses by function remained similar with the previous year, with health and social services and community and transportation representing the largest areas of spending followed by general government, natural resources and education representing the next highest level of spending. Justice and business, tourism and culture retain their positions in the lower areas of expenses. Interest on loans remains at a nominal value.

Expenses<sup>1</sup> by object percentages



As for the type of expenses (as detailed in Note 22 to the Consolidated Financial Statements), the highest increases from the 2022-23 expenses were environmental obligations of \$110.8 million (1160%), followed by \$42.8 million (5.8%) for personnel costs due to new collective agreement, \$29.6 million (172.3%) for other non-cash expenses due to municipal landfill and land inventory adjustments, \$19.3 million (12.1%) for materials, supplies and utilities, \$11.8 million (2.9%) for Government transfers and \$6.4 million (8.8%) for amortization expense. Increase in environmental obligations primarily consist of estimated remediation cost of \$94.9 for Minto mine and increase of \$13.2 million for the Whitehorse grader station.

<sup>1</sup> Includes recoveries of prior years' expenses

## Details

### Net Financial Assets (Debt) and Accumulated Surplus

At March 31, 2024, the Government's financial liabilities exceeded its assets, resulting in net financial debt of \$196.1 million (\$10.7 million net financial assets as at March 31, 2023).

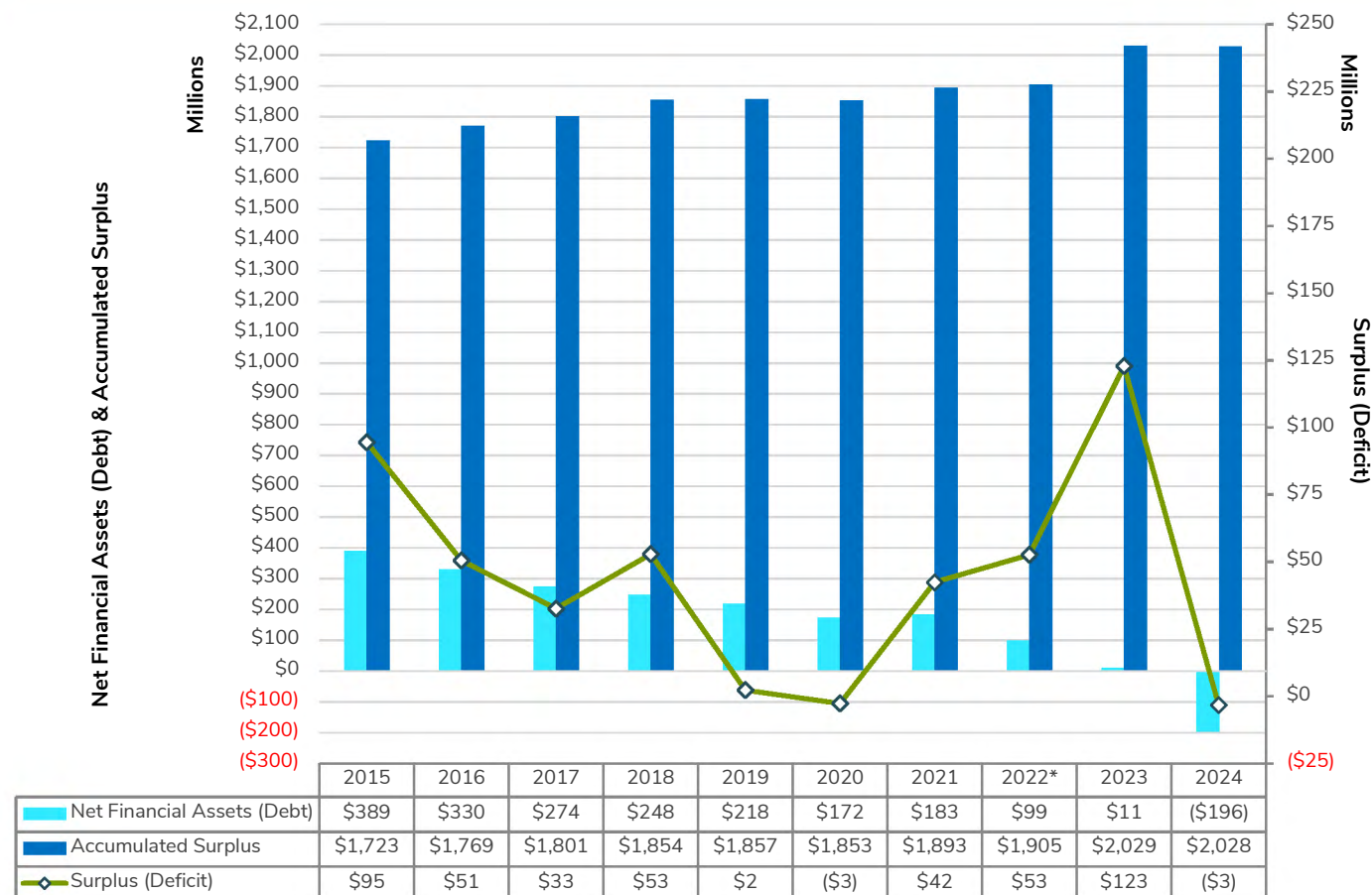
The Government's net financial assets decreased by \$206.8 million in 2023-24. The change was due to the increase of \$188.7 million in liabilities and decrease in assets of \$18.1 million.

The largest changes in financial assets were decreases of \$40.3 million in cash and cash equivalents and \$23.7 million in due from Government of Canada with an offsetting of increases in accounts receivable of \$20.6 million, retirement benefit assets of \$10.7 million, inventories for resale of \$7.1 million, and \$3.7 million in investment in government business enterprises.

The Government's liabilities increase was largely due to the increase \$105.0 million in bank advances and short-term borrowings, \$97.5 million in environmental liabilities and \$25.3 million in unearned revenues offset by decrease of \$25.4 million in accounts payable and accrued liabilities and \$9.1 million in asset retirement obligation liabilities.

Accumulated surplus can be calculated as net financial debt plus non-financial assets such as tangible capital assets. The accumulated surplus of the Government at March 31, 2024 was \$2.028 billion (\$2.029 billion at March 31, 2023). The \$206.8 million decrease in net financial assets and the \$205.2 million increase in non-financial assets resulted in the \$1.6 million decrease in accumulated surplus.

### Net Financial Assets (Debt), Accumulated Surplus and Surplus (Deficit)



\* 2022 restated due to adoption of PS 3280

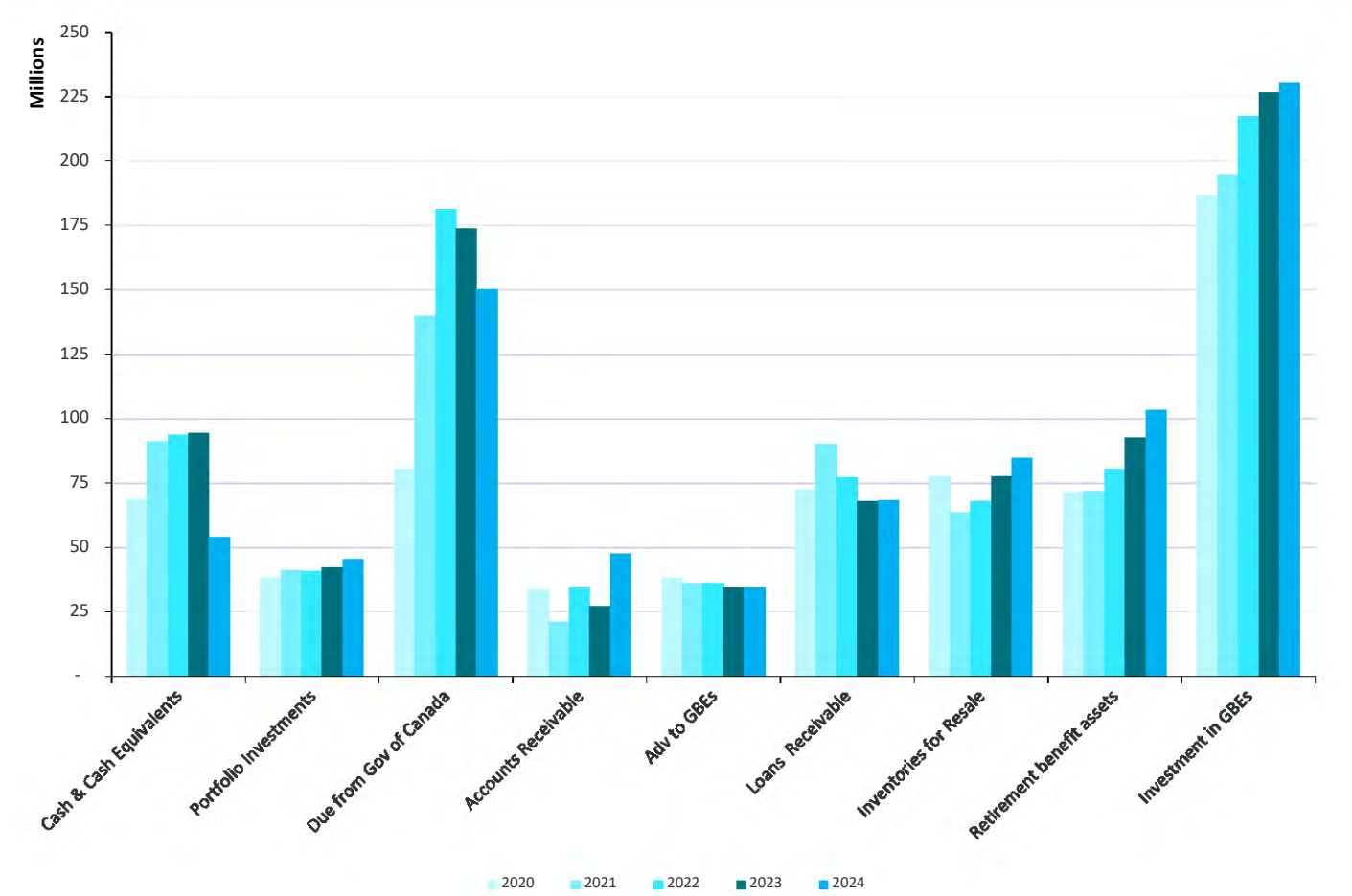
Details

Financial Assets

Financial assets consist of assets available to discharge existing liabilities or to fund future activities. At March 31, 2024, the value of total financial assets was \$818.5 million, which is a decrease of \$18.1 million from the previous year. Within financial assets, accounts receivable increased by \$20.6 million from the previous year while retirement benefit assets increased by \$10.7 million, inventories for resale increased by \$7.1 million and investments in government business enterprises increased by \$3.7 million, while cash and cash equivalents decreased by \$40.3 million, and due from Government of Canada decreased by \$23.7 million.

In 2023-24, cash and cash equivalents accounted for \$54.1 million, or 6.7% of the total financial assets compared with 2022-23 when they accounted for \$94.4 million or 11.3%.

Financial Assets by type



## Details

### Financial Assets (continued)

Major categories of the Government's financial assets are described below.

#### Cash and cash equivalents

Cash and cash equivalents are bank balances, short-term investments that mature less than 90 days from the date of purchase and cash on hand.

At March 31, 2024, the Government held \$54.1 million in cash and cash equivalents, which is a decrease of \$40.3 million from the previous year.

#### Due from Government of Canada

At March 31, 2024, the Government had receivables from the Government of Canada in the amount of \$150.1 million, most of which were outstanding claims on cost-sharing agreements and projects delivered on behalf of the federal government. This was a decrease of \$23.7 million from the prior year.

#### Accounts receivable

Accounts receivable increased to \$47.7 million at March 31, 2024 from \$27.1 million at March 31, 2023.

#### Portfolio investments

Portfolio investments are reported at fair value as per PS 3041. Portfolio investments may include GICs, term deposits, floating rate notes and funds that include bonds and equities.

As at March 31, 2024, the Government held \$45.5 million in portfolio investments compared to \$42.3 million in the previous year.

As of March 31, 2024, \$38.7 million of the portfolio investments were specifically designated (\$36.2 million at March 31, 2023) in order to meet obligations under Part 3 (Supplemental Plan) of the *Legislative Assembly Retirement Allowances Act* (Yukon) as well as the "Severance allowance" section of the *Legislative Assembly Act* (Yukon).

#### Advances to government business enterprises

As of March 31, 2024, the Government has an outstanding balance of \$34.2 million (\$34.2 million at March 31, 2023) on advances made to the government business enterprises.

#### Loans receivable

The Government has loans receivable of \$68.5 million, of which \$28.7 million, or 41.8%, were Yukon Housing Corporation mortgages receivable, followed by \$23.1 million, or 33.7%, in land sale related loans receivable that are also administered by the Yukon Housing Corporation.

#### Inventories for resale

Inventories for resale totaled \$84.8 million as of March 31, 2024. This was an increase of \$7.1 million (9.2%) from the previous year. The inventories largely consist of lots being developed by the Government for sale to the public.

#### Retirement benefit assets

Retirement benefit assets totaling \$103.4 million at March 31, 2024 (\$92.7 million at March 31, 2023) are held in relation to the Government's obligations for future pension benefits for employees of Yukon University and Yukon Hospital Corporation and represent the market value of the investments less the liability of the benefits based on an actuarial valuation.

Details

Financial Assets (continued)

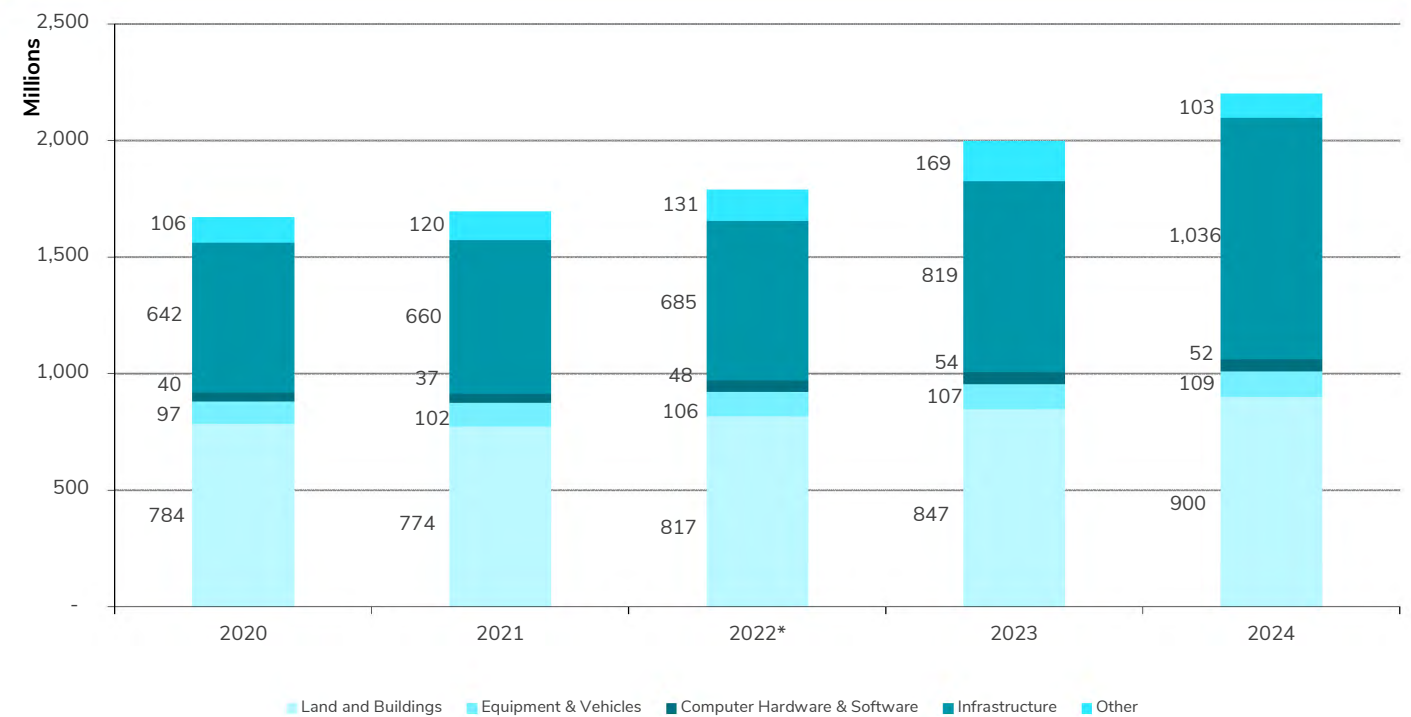
Investment in government business enterprises

Investment in government business enterprises, which are self-sustainable government corporations, represent 100% of the equity of the Yukon Development Corporation (YDC) and the Yukon Liquor Corporation (YLC). YDC had equity of \$228.0 million at March 31, 2024 (2023 - \$224.4 million), and YLC had equity of \$2.2 million at March 31, 2024 (2023 - \$2.1 million). The Yukon Energy Corporation, which supplies and sells power in the Yukon, is the wholly owned subsidiary of YDC.

Non-financial Assets

Non-financial assets are assets that do not normally provide resources to discharge existing liabilities, but instead are normally used to deliver future government services or may be consumed in the normal course of operations. Non-financial assets include tangible capital assets, inventories of supplies, and prepaid expenses. Tangible capital assets are the largest category of non-financial assets.

Net Book Value of Tangible Capital Assets



\* 2022 restated due to adoption of PS 3280

In 2023-24, the Government made the following investment in tangible capital assets:

Opening balance at April 1, 2023	\$	1,996	million
Net additions during the year		284	million
Less: Amortization and other adjustments		(80)	million
Balance at March 31, 2024	\$	2,200	million

The Government’s capital investment was largely spent on infrastructure, buildings, communications technology, computer hardware and software and equipment and vehicles. For detailed information refer to "Investment in Tangible Capital Assets" under Highlights section.

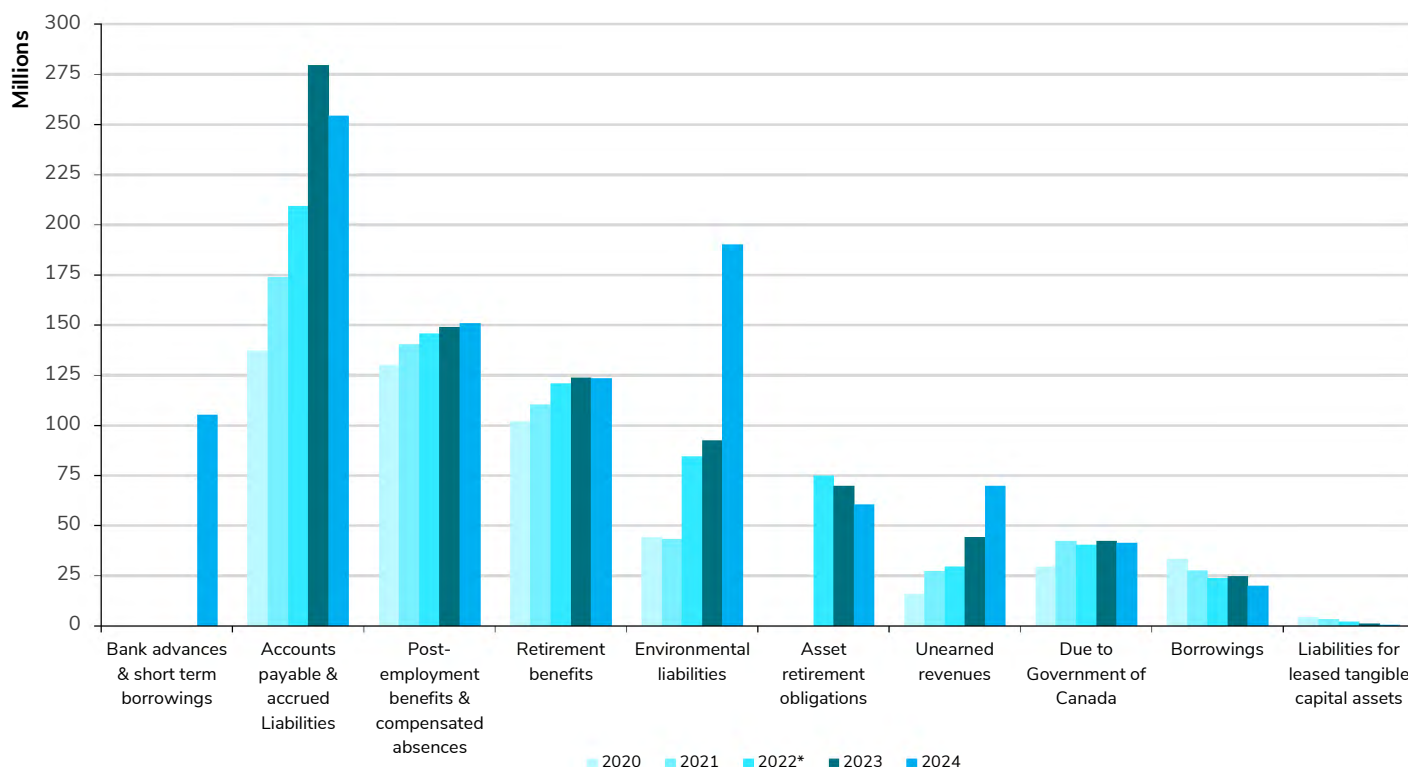
In accordance with the recommendations of the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, the value of transferred Crown land is not reported as a tangible capital asset.

## Details

### Liabilities

At March 31, 2024, the liabilities of the Government totaled \$1.015 billion (\$825.9 million at March 31, 2023), which is equivalent to 125.8% of the financial assets of the Government. A five-year comparison of the Government's liabilities by category is illustrated below:

#### Liabilities



(Note: In 2022-23 the Government adopted PS 3280 Asset retirement obligations which introduced a new estimated liability.)

\* 2022 restated due to adoption of PS 3280

Major categories of the Government's liabilities are described as follows:

#### Bank advances and short-term borrowings

New for 2023-24, the Government entered into a short-term credit arrangement using line of credit amounting to \$194.1 million, which was offset against bank balance of \$89.0 million for reporting purposes in the Consolidated Statement of Financial Position. The line of credit used is repayable immediately on demand and can be terminated in whole or in part at any time.

#### Due to Government of Canada

Amounts due to the Government of Canada at March 31, 2024 were \$41.3 million (\$42.2 million at March 31, 2023). These amounts consist primarily of funds due under various agreements for Income Taxes and Public Service Pension Plan contributions payable for the month of March 2024.

#### Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are amounts that are generally paid within a year. The balance of \$254.2 million at March 31, 2024 is a decrease of 9.1% from the previous year's balance of \$279.5 million.

Included in this total is the outstanding balance of the Carbon Price Rebate liability of \$16.1 million (2023 - \$24.9 million).

## Details

### Liabilities (continued)

#### Environmental liabilities

At March 31, 2024, the Government has recorded \$189.9 million (\$92.5 million at March 31, 2023) as a liability for the estimated costs related to the remediation of environmental contamination for which the Government is responsible and can reasonably estimate the value. Of the liabilities, \$70.9 million (37.3%) is related to the Minto mine site, \$44.6 million (23.4%) is for the Wolverine site, \$20.6 million (10.8%) is for Wellgreen site, \$27.1 million (14.2%) is for highway maintenance camps and airports and \$9.1 million (4.7%) is for other storage tanks and buildings.

#### Asset retirement obligations

At March 31, 2024, the Government has recorded \$60.3 million (\$69.4 million at March 31, 2023) as a liability for the estimated costs related to retirement activities that the Government is legally obligated to perform upon the retirement of certain tangible capital assets. Of the liabilities, \$41.5 million (68.7%) is related to the abatement of asbestos and other hazardous materials, \$15.9 million (26.3%) is related to the closure and post-closure costs for the landfills operated by the Government, \$2.3 million (3.8%) is related to the proper removal of fuel tanks and \$0.6 million (0.9%) relates to the remediation of forestry access roads.

#### Unearned revenues

Unearned revenues of \$69.4 million reported as of March 31, 2024 (\$44.2 million at March 31, 2023) are mostly comprised of funding received from the Government of Canada that has not yet been expended in accordance with funding agreements.

#### Post-employment benefits and compensated absences

The Government's second largest liability, after accounts payable and accrued liabilities, is post-employment benefits and compensated absences. Post-employment benefits are provided to employees after employment but before retirement. These benefits consist of severance pay and a portion of sick leave and vacation leave that are paid out to employees at termination of employment. Compensated absences are benefits such as sick leave and vacation leave that are paid to employees during their employment. The Government uses actuaries to estimate its post-employment benefits and compensated absences liabilities.

The post-employment benefits and compensated absences liabilities at March 31, 2024 were \$150.9 million (\$148.9 million at March 31, 2023).

#### Retirement benefits liabilities

Retirement benefits liabilities totaled \$123.3 million at March 31, 2024 (\$123.7 million at March 31, 2023) and represent the Government's various pension plan liabilities and extended health benefit obligations, which are provided to retired employees. Pension plan liabilities are those for the members of the Yukon Legislative Assembly, and Territorial Court judges.

#### Borrowings

The largest portion of the \$19.9 million reported as borrowings relates to the Yukon Hospital Corporation's demand term installment loans totaling \$18.8 million (\$23.6 million at March 31, 2023). These loans are financing the staff residence/medical service building in Whitehorse, renovations to an extended care facility in Whitehorse, and hospitals in Watson Lake and Dawson City. During 2023-24 the Yukon Hospital Corporation paid down the existing loans by \$4.8 million.

Mortgages and loans payable by the Yukon Housing Corporation (Housing) represent a further \$0.5 million (\$0.8 million at March 31, 2023) of the Government's long term debt. These debts are with the Canada Mortgage and Housing Corporation (CMHC) so are included as due to the Government of Canada amounts in the Consolidated Statement of Financial Position.

In Note 19 to the Consolidated Financial Statements, the Government's 'total debt' as defined in the Yukon Act (Canada) includes the Housing debt owed to CMHC along with the borrowings of the consolidated government business enterprises of YDC and YLC, capital lease obligations and credit facilities used. When all relevant items are taken into account the total debt is \$375.0 million at March 31, 2024 (\$233.5 million at March 31, 2023).

The Government of Canada on September 20, 2020 issued OIC P.C. 2020-0663 setting the Yukon's borrowing limit at \$800 million pursuant to subsection 23(2) of the Yukon Act (Canada).



## Risks and Mitigations

### Government's Operating Environment

Like all jurisdictions, the Government's finances are subject to risks and uncertainties that arise from variables over which the government has limited or no direct control. Some of these risks and uncertainties include:

- Shifts in key considerations for economic performance such as, commodity prices, private sector investment, inflation, interest rates, population/demographics, and personal income;
- Changes in revenue, especially taxation revenues, or changes in transfers expected from the federal government, which can contribute to actual revenue deviating from the budget estimates;
- Level of use of government services, particularly related to health care and social services;
- Unexpected health events, such as sudden and/or extreme outbreaks of disease;
- Occurrence and impact of natural disasters, like floods, wildfires, extreme weather events, or other events can impede the safe delivery of goods and services. Associated costs for cleanup and repair or replacement of infrastructure can also place financial burden on government finances;
- Geopolitical events causing repercussions on economic or fiscal parameters;
- Malicious behaviour (e.g., cybersecurity attacks) that could interrupt services, lead to loss of information or breach of privacy, and/or damage to equipment or facilities;
- Outcomes of litigation, legal settlements, arbitration and negotiations with third parties;
- Identification and quantification of environmental liabilities and asset retirement obligations;
- Changes in pension liability due to changes in interest rates, actuarial assumptions of future events or asset market values; and
- Changes in existing accounting standards and adoption of new accounting standards.

Transfers from the federal government historically comprise more than 80 per cent of the Government's annual revenue and are generally stable from year-to-year. These transfers provide the Government a solid, stable foundation for its overall revenues, but, the Government's fiscal health nevertheless relies on revenue that is tied to economic activity. As this activity can be volatile in an economy that can be impacted greatly by activity in the mining industry, the government takes a cautious and prudent approach to revenue forecasting and fiscal planning. Commodity prices and mining exploration and development plans are monitored on a regular basis in order to estimate the impact on fiscal projections. With respect to federal transfers, the Government works closely with the federal government to ensure timeliness of information and fairness in funding levels, including with respect to infrastructure programs that affect the Government's capital planning.

The fiscal impact of changes in the underlying economic assumptions are estimated on a regular basis. By understanding the scope of inherent risks in the fiscal projections, the Government is better equipped to make sound financial decisions.

On the expense side, the Government closely monitors the spending of all departments and the resulting effect on the fiscal plan. This allows for any necessary supplementary estimates to be prepared, tabled and debated in the Legislative Assembly in order to address unanticipated spending or savings.

Changes to Canadian public sector accounting standards issued by the Public Sector Accounting Board can have an impact on the Government's budgets, estimates and actual results; and on how they are presented in the Public Accounts. The Office of the Comptroller reviews proposed changes and provides input to assist the development of processes that reflect sound policy decision-making, transparency and accountability.



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PART TWO

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation of the consolidated financial statements of the Government of Yukon is the responsibility of management of the Department of Finance.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. Where standards permit alternative accounting methods, management has chosen those that are most appropriate. Where required, management's best estimates and judgement have been applied in the preparation of these statements.

The Government fulfills its accounting and reporting responsibilities, through the Department of Finance, by maintaining systems of financial management and control designed to provide timely and reliable information to users, to properly safeguard assets, and to ensure all financial transactions are in accordance with the *Yukon Act* (Canada), and the *Financial Administration Act* (Yukon) and regulations.

The Auditor General of Canada performs an annual audit on the consolidated financial statements in order to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position of the Government, the results of its operations, the change in its net financial assets and its cash flows for the year, in accordance with Canadian public sector accounting standards. During the course of the audit, she also examines transactions that came to her notice, to ensure they are, in all material respects, in accordance with the statutory powers of the Government and those organizations included in the consolidation.

Annually, the consolidated financial statements are tabled in the Legislative Assembly as part of the Public Accounts, and are referred to the Public Accounts Committee.

  
\_\_\_\_\_  
Jessica Schultz  
Deputy Minister of Finance

October 23, 2024

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## INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Yukon

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of the Government of Yukon and its controlled entities (the Group), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of operations and accumulated operating surplus, consolidated statement of remeasurement gains and losses, consolidated statement of change in net financial assets (debt) and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and the consolidated results of its operations, its consolidated remeasurement gains and losses, consolidated changes in its net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

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

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in Parts One and Two of the 2023-24 Yukon Public Accounts, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

## **Report on Compliance with Specified Authorities**

### *Opinion*

In conjunction with the audit of the consolidated financial statements, we have audited transactions of the Government of Yukon and its controlled entities coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Yukon Act*, the *Financial Administration Act* of Yukon and regulations, and the specific operating authorities disclosed in Note 2(a) to the consolidated financial statements.

In our opinion, the transactions of the Government of Yukon and its controlled entities that came to our notice during the audit of the consolidated financial statements have complied, in all material respects, with the specified authorities referred to above.

### *Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the Government of Yukon and its controlled entities' compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Government of Yukon and its controlled entities to comply with the specified authorities.



*Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the consolidated financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read 'Karen Hogan', with a stylized, cursive script.

Karen Hogan, FCPA  
Auditor General of Canada

Ottawa, Canada  
23 October 2024

GOVERNMENT OF YUKON

**Consolidated Statement of Financial Position  
as at March 31, 2024**

	2024	2023
	(thousands of dollars)	
<b>Financial assets</b>		
Cash and cash equivalents (Note 4)	\$ 54,119	\$ 94,444
Due from Government of Canada (Note 5)	150,117	173,802
Accounts receivable (Note 6)	47,685	27,121
Portfolio investments (Note 7)	45,508	42,315
Advances to government business enterprises (Note 11(b)(c))	34,200	34,200
Loans receivable (Note 9)	68,452	67,767
Inventories for resale (Note 10)	84,848	77,715
Retirement benefit assets (Note 18)	103,402	92,744
Investment in government business enterprises (Note 11(a))	230,183	226,495
	<u>818,514</u>	<u>836,603</u>
<b>Liabilities</b>		
Bank advances and short-term borrowings (Note 12)	105,063	-
Due to Government of Canada (Note 5)	41,272	42,170
Accounts payable and accrued liabilities (Note 13)	254,154	279,533
Unearned revenues (Note 14)	69,460	44,160
Environmental liabilities (Note 15)	189,942	92,452
Asset retirement obligation liabilities (Note 16)	60,269	69,429
Post-employment benefits and compensated absences (Note 17)	150,896	148,877
Retirement benefits (Note 18)	123,297	123,742
Borrowings (Note 19)	19,854	24,663
Liabilities for leased tangible capital assets (Note 20)	362	834
	<u>1,014,569</u>	<u>825,860</u>
<b>Net financial assets (debt)</b>	<u>(196,055)</u>	<u>10,743</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 21)	2,200,213	1,995,882
Inventories of supplies	15,036	14,217
Prepaid expenses	8,618	8,550
	<u>2,223,867</u>	<u>2,018,649</u>
<b>Accumulated surplus</b>	<u>\$ 2,027,812</u>	<u>\$ 2,029,392</u>
Accumulated surplus (deficit) is comprised of:		
Accumulated operating surplus (deficit)	2,020,942	2,024,173
Accumulated remeasurement gains and (losses)	6,870	5,219
	<u>\$ 2,027,812</u>	<u>\$ 2,029,392</u>

Contingencies, contractual rights and obligations, commitments, and guarantees  
(Notes 11(d)(e), 15, 18(d)(e), 24, 25, 27, and 30)

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

Approved on October 23, 2024:

Jessica Schultz

Deputy Minister of Finance

Sandy Silver

Minister of Finance

## GOVERNMENT OF YUKON

**Consolidated Statement of Operations and Accumulated Operating Surplus  
for the year ended March 31, 2024**

	2024		2023
	Budget (Note 1(b))	Actual	Actual
	(thousands of dollars)		
Revenues (Schedule A)			
From Government of Canada	\$ 1,639,689	\$ 1,681,291	\$ 1,610,820
Taxes and general revenues	261,675	244,738	249,005
Funding and service agreements with other parties	32,442	65,336	34,413
Income from investment in government business enterprises (Note 11(a))	11,378	12,045	15,839
	<u>1,945,184</u>	<u>2,003,410</u>	<u>1,910,077</u>
Expenses (Schedule B)			
Health and social services	588,797	655,656	579,736
Community and transportation	418,093	415,630	409,225
Education	259,231	251,629	221,659
General government	276,259	259,584	274,088
Natural resources	133,557	262,705	142,378
Justice	100,789	107,644	97,850
Business, tourism and culture	87,706	63,768	64,804
Interest on loans	784	1,310	1,323
	<u>1,865,216</u>	<u>2,017,926</u>	<u>1,791,063</u>
Recovery of prior years' expenses	<u>-</u>	<u>11,285</u>	<u>3,849</u>
<b>Surplus (deficit) for the year</b>	<b><u>\$ 79,968</u></b>	<b><u>(3,231)</u></b>	<b><u>122,863</u></b>
Accumulated operating surplus at beginning of year		2,024,173	1,901,310
<b>Accumulated operating surplus at end of year</b>		<b><u>\$ 2,020,942</u></b>	<b><u>\$ 2,024,173</u></b>

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

## GOVERNMENT OF YUKON

**Consolidated Statement of Remeasurement Gains and Losses  
for the year ended March 31, 2024**

	2024	2023
	(thousands of dollars)	
	Actual	Actual
<b>Accumulated remeasurement gains and (losses) at beginning of year</b>	<b>\$ 5,219</b>	<b>\$ 4,254</b>
Unrealized gains (losses) attributable to:		
Portfolio investments	4,396	371
Amounts reclassified to the statement of operations and accumulated operating surplus (deficit):		
Portfolio investments	(2,821)	(670)
Other comprehensive gain (loss) of government business enterprises (Note 11(a))	76	1,264
<b>Net remeasurement gains and (losses) for the year</b>	<b>1,651</b>	<b>965</b>
<b>Accumulated remeasurement gains and (losses) at end of year</b>	<b>\$ 6,870</b>	<b>\$ 5,219</b>

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

## GOVERNMENT OF YUKON

**Consolidated Statement of Change in Net Financial Assets (Debt)  
for the year ended March 31, 2024**

	2024	2023
	<u>Budget</u> <u>(Note 1(b))</u>	<u>Actual</u> <u>Actual</u>
	(thousands of dollars)	
Surplus (deficit) for the year	\$ 79,968	\$ 122,863
Effect of change in tangible capital assets		
Acquisitions	(245,345)	(291,067)
Amortization of tangible capital assets	81,559	73,137
Loss (gain) on disposal of tangible capital assets	70	734
Proceeds on disposal of tangible capital assets	210	-
Write-down of tangible capital assets	-	3,415
Change in asset retirement obligation estimate	-	5,331
	<u>(163,506)</u>	<u>(208,450)</u>
Effect of change in other non-financial assets		
Acquisition of inventories of supplies	-	(22,307)
Consumption of inventories of supplies	-	18,708
(Increase) decrease in prepaid expenses	-	(815)
	<u>-</u>	<u>(4,414)</u>
Net remeasurement gains and (losses)		<u>1,651</u>
Decrease in net financial assets and increase in net financial debt	\$ (83,538)	(88,138)
Net financial assets at beginning of year		<u>98,881</u>
Net financial assets (debt) at end of year		<u>\$ 10,743</u>

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

GOVERNMENT OF YUKON

**Consolidated Statement of Cash Flow  
for the year ended March 31, 2024**

	2024	2023
	(thousands of dollars)	
<b>Operating transactions</b>		
Surplus (deficit) for the year	\$ (3,231)	\$ 122,863
Non-cash items included in surplus (deficit) for the year:		
Amortization of tangible capital assets	79,582	73,137
Loans receivable valuation adjustment	591	46
Accretion expense	1,665	1,874
Bad debt expense	849	33
Write-down of tangible capital assets	149	3,415
Loss (gain) on sale of land inventory	(6)	(15)
Loss (gain) on disposal of tangible capital assets	130	734
Surplus of government business enterprises (Note 11(a))	(12,045)	(15,839)
Net change in accounts payable and accrued liabilities balances	(43,558)	57,143
Net change in environmental liabilities	97,490	7,745
Net change in other operating asset and liability balances	16,903	21,869
Amounts remitted from government business enterprises	8,135	8,237
Cash provided by (used for) operating transactions	146,654	281,242
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(276,107)	(280,327)
Cash provided by (used for) capital transactions	(276,107)	(280,327)
<b>Investing transactions</b>		
Net proceeds from (acquisition of) portfolio investments	(1,296)	(661)
Repayment of advances to government business enterprises	-	2,000
Repayments of loans receivable	19,440	23,795
Issuance of loans receivable	(4,649)	(6,340)
Investment in land held for resale	(23,174)	(17,918)
Cash provided by (used for) investing transactions	(9,679)	876
<b>Financing transactions</b>		
Proceeds from borrowings	-	4,867
Repayment of borrowings	(5,783)	(4,579)
Repayment of liabilities for leased tangible capital assets	(473)	(1,148)
Cash provided by (used for) financing transactions	(6,256)	(860)
<b>Cash increase (decrease)</b>	<b>(145,388)</b>	<b>931</b>
Cash and cash equivalents, beginning of year	94,444	93,513
<b>(Bank indebtedness) cash and cash equivalents, end of year</b>	<b>\$ (50,944)</b>	<b>\$ 94,444</b>
Represented by:		
Cash and cash equivalents (Note 4)	\$ 54,119	\$ 94,444
Bank advances and short-term borrowings (Note 12)	(105,063)	-
<b>Total</b>	<b>\$ (50,944)</b>	<b>\$ 94,444</b>
Interest received in the year	\$ 11,407	\$ 9,800
Interest paid in the year	\$ 3,631	\$ 1,436

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

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

#### 1. **Authority and operations**

##### (a) Authority

The Government of Yukon ("the Government") operates under the authority of the *Yukon Act* (Canada). All disbursements for operations and loans are authorized by the Yukon Legislative Assembly.

##### (b) Budget

The Budget figures are based on the Consolidated Budget of the Government Reporting Entity as published in the Government's Operation & Maintenance and Capital Estimates 2023-24 as approved in the Legislative Assembly in April 2023. These figures do not reflect changes arising from Special Warrants issued or any Supplementary Estimates approved later in the year by the Yukon Legislative Assembly.

##### (c) Investments

The *Financial Administration Act* (Yukon) allows the Government to invest money from the consolidated revenue fund in the following investments:

- securities that are obligations of, or guaranteed by, the Government of Canada or a province;
- fixed deposits, notes, certificates, and other short-term paper of, or guaranteed by, a bank including swapped deposit transactions in the currency of the United States of America;
- commercial paper issued by a company incorporated under the laws of the Government of Canada or a province, the securities of which are rated in the highest rating category by at least two recognized security rating institutions.

##### (d) Basis of accounting

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

#### 2. **Significant accounting policies**

##### (a) Reporting entity and method of consolidation

The consolidated financial statements include the accounts of all government sector entities and government not-for-profit organizations.

Government sector entities include departments and government-controlled corporations. Government not-for-profit organizations comprise government-controlled education and health institutions.

The accounts of government sector entities and not-for-profit organizations, except for those that are classified as government business enterprises, are consolidated using the full consolidation method. With the full consolidation method, revenue and expense transactions, capital, investing and financing transactions, and related assets and liability accounts between consolidated entities have been eliminated.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

The accounts of government business enterprises are consolidated using the modified equity method. Under the modified equity method of consolidation, the accounting policies of consolidated entities are not adjusted to conform with those of the government organizations that are consolidated using the full consolidation method. Under the modified equity method, inter-entity revenue and expense transactions and related asset and liability balances are properly not eliminated in these consolidated financial statements.

All accounts of the government reporting entity are consolidated using the financial information for the year ended March 31. As for the organization that uses a fiscal year-end other than March 31, namely the Yukon Development Corporation, the Government uses their unaudited interim financial statements as at March 31.

Trusts administered by the Government on behalf of other parties (Note 23) are excluded from the government reporting entity.

Below, the organizations comprising the government reporting entity are categorized by their specific operating authority and accounting method for consolidation as follows:

#### Full consolidation:

Government of Yukon departments  
Yukon Hospital Corporation  
Yukon Housing Corporation  
Yukon University

#### Authority for operations:

*Financial Administration Act*  
*Hospital Act*  
*Housing Corporation Act*  
*Yukon University Act*

#### Modified equity:

Yukon Development Corporation  
Yukon Liquor Corporation

*Yukon Development Corporation Act*  
*Liquor Act*  
*Cannabis Control and Regulation Act*

#### (b) Specific accounting policies

##### Revenues

Revenues are recorded on an accrual basis.

Grants from the Government of Canada are recognized as revenues when entitlement for the transfer occurs. The Government receives a Formula Financing grant and the Canada health and the Canada social transfers from the Government of Canada in accordance with the *Federal-Provincial Fiscal Arrangements Act* (Canada) which expires on March 31, 2029. The Formula Financing grant is principle-based, and the Canada health transfer and the Canada social transfer are simple equal cash per capita grants. Adjustments for health and social transfers are made in the year they are known.

Government transfers are recognized as revenue when the funding is authorized and any eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as unearned revenue when transfer stipulations give rise to a liability. Transfer revenues are recognized as the stipulation liabilities are settled.



## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

Income taxes, levied under the *Income Tax Act* (Yukon), are collected by the Government of Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on the Government of Canada's Department of Finance's best estimates for the taxation year, which are periodically adjusted until the income tax assessments for the year are final. The Government recognizes income tax revenues based on the estimates made by the Government of Canada, adjusted for known factors. Any adjustments upon finalization are reflected in the accounts in the year they are identified. Tax concessions are accrued on the same basis as the associated tax revenues and reduce gross taxation revenue.

Fuel and tobacco taxes are levied under the authority of the *Fuel Oil Tax Act* (Yukon) and the *Tobacco Tax Act* (Yukon). Revenues are recognized based on the statements received from collectors and estimates. Adjustments from reassessments are recorded in revenue in the year they are identified.

Proceeds from funding and service agreements with other parties are recognized as revenue as they are determined to be earned based on the terms and conditions of the agreements and in compliance with relevant accounting standards. These determinations occur on an agreement-by-agreement basis due to the diverse nature of each individual agreement.

Revenue for permits and licenses issued by the Government are recognized at a point in time, when they are issued, if they provide a right or access to an activity with no ongoing performance obligations for the Government. Revenues for permits and licenses that grant access rights for a finite number of instances or a fixed period of time with an ongoing performance obligation are recognized over a period of time as the access rights are used.

Resource revenues are received in the form of fees for access, as well as resource royalties for resource extraction. Resource access rights have ongoing performance obligations to grant access, therefore revenues are recognized over time as the access term elapses. Resource royalties are recognized at a point in time when the terms and conditions for the royalties are met.

Land sale revenue has a performance obligation and is satisfied through sale of government land. Land sale revenue is recognized at a point in time when all sale conditions are met, and the transaction is closed with transfer of title to the buyer.

Revenues for leases and lease-like arrangements have a performance obligation to provide access to the leased asset. The revenues are recognized over the term of the lease in accordance with the applicable lease terms.

There are no significant revenues from non-recurring activities presented in these consolidated financial statements.

#### Expenses

Expenses are recorded on an accrual basis. Transfer payments are recorded as expenses when authorized and recipients have met eligibility criteria.

Recovery of prior years' expenses includes reversal of amounts accrued in prior years which are in excess of actual expenses. These amounts cannot be used to increase the amount appropriated for the current year.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

#### Assets

##### Financial assets

Cash and cash equivalents include cash on hand, balances with banks, and short-term investments that have terms to maturity of less than 90 days from the dates of acquisition.

Portfolio investments include investments such as treasury bills, GICs, term deposits; short-term debt securities of Canadian governments and corporate issuers with terms to maturity of 90 days or more but one year or less from the date of acquisition; and mortgage funds, bonds, and equities. Portfolio investments are measured at their fair value.

Loans receivable are stated at the lower of principal amounts and net recoverable value. Valuation allowances, which are recorded to reduce loans receivable to their net recoverable amount, are based on historical experience, current conditions and all circumstances known at the date of the preparation of the financial statements. The loan receivable is reduced by the amount of a loss when the amount is known with sufficient precision, and there is no realistic prospect of recovery. Interest revenue is recognized on an accrual basis until such time that the collectability of either principal or interest is not reasonably assured. Loans with significant concessionary terms are reviewed annually. Concessionary loans are recorded at the discounted value of the loan after the grant portion has been expensed.

Inventories for resale include land that has been developed by the Government and supplies held for eventual sale. Land is comprised of the costs of acquiring, planning, and developing lots. The lots are valued at cost, except, when there has been a loss in value that is other than a temporary decline, in which case the lots are written down to net recoverable value to recognize the loss. Supplies held for sale are recorded at the lower of cost and net realizable value.

##### Non-financial assets

Non-financial assets are assets that do not normally provide resources to discharge existing liabilities, but instead are normally used to deliver future government services or may be consumed in the normal course of operations. Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses.

Tangible capital assets are buildings, roads, equipment, and other items, whose useful life extends beyond the fiscal year and are intended to be used on an ongoing basis for delivering services. These assets are recorded at cost, or fair value if donated. For certain tangible capital assets that have previously been transferred from the Government of Canada or where the original costs are not readily available, estimated costs have been extrapolated back in time in a systematic and rational manner to approximate the appropriate transfer value of the assets at the time of transfer. Certain tangible capital assets that have legal obligations requiring specific retirement activities create a future asset retirement liability that is offset at inception by capitalizing the estimated future cost and amortizing it over the life of the tangible capital asset. Costs include all costs directly attributable to acquisition, construction, development, betterment and retirement of tangible capital assets. Interest costs on loans that are directly attributable to the acquisition of tangible capital assets are capitalized.

The value of works of art, historical treasures, all intangibles, and items inherited by right of the Crown, such as Crown lands, forests, water, and mineral resources are not recorded as tangible capital assets. Historical treasures and works of art are expensed when they are acquired.

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

Tangible capital assets that are held and available for use by the Government are generally amortized on a straight-line basis over their estimated useful life of the asset as follows:

<u>Asset category</u>	<u>Estimated useful life</u>
Land	Indefinite
Buildings	
Buildings	10-100 years
Leasehold Improvements	Lease term
Portable classroom/housing trailers	10-40 years
Equipment and vehicles	
Heavy equipment	7-30 years
Operating equipment	5-25 years
Vehicles	5-20 years
Computer hardware and software	
Computer hardware	3-7 years
Computer software	3-20 years
Infrastructure	
Transportation infrastructure <sup>1</sup>	5-75 years
Forestry access roads	5-10 years
Resource access roads	Life of Mine
Land improvements and fixtures	5-50 years
Waste and water systems	
Landfills	25-80 years
Sewage and water systems	5-50 years
Communications technology	
Mobile radio system infrastructure	5-20 years
Network transmission systems	20-40 years

Tangible capital assets under construction or development are reported as work-in-progress with no amortization until the asset is placed in service.

Other non-financial assets

Inventories of supplies consist primarily of fuel and lubricants, repair parts, stationery and office supplies, highway materials that are tracked through revolving funds and medical supplies of the Yukon Hospital Corporation. Inventories are valued at the lower of cost and replacement value. These assets are not held for sale and are intended to be used in providing government services. Other materials and supplies are expensed at the time of acquisition.

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<sup>1</sup> Includes Highways, Surfaces, Bridges and Airport runways.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

#### Liabilities

Bank advances and short-term borrowings have initial maturities of one year or less.

Unearned revenues are cash received for which goods and services have not been provided by year-end and are primarily comprised of prepaid lease payments and transfer payments from the Government of Canada, which have associated stipulations that gave rise to a liability as of year-end.

Liabilities for leased tangible capital assets are recorded at the present value of the minimum lease payments, excluding the portion relating to executory costs. A corresponding asset is recorded at the lower of the present value of the minimum lease payments, excluding the portion relating to executory costs, and the fair value of the asset. The present value is based on the Government's borrowing rate, over a similar term length as the related lease terms, at the time the obligation is incurred.

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is considered likely to occur and is quantifiable, an estimated liability is accrued. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed.

#### Post-employment benefits and compensated absences

Post-employment benefits are expected to be provided after employment but before retirement to employees. These benefits include severance benefits, accumulated sick and vacation leave benefits that are paid in cash when employment is terminated. Compensated absences are benefits such as sick leave, vacation leave, special leave and education leave that are paid to employees during their employment. The Government recognizes the obligation for these benefits as a liability and uses actuaries to estimate the amount of the obligation based on the projected benefit method prorated on service. Expenses related to post-employment benefits and compensated absences are recognized in the period in which the employee's service is rendered and the benefits are earned. The accrued benefit liability for these benefits is calculated as the accrued benefit obligation adjusted by unamortized actuarial gains or losses.

#### Retirement benefits

The Government's employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government's contributions are expensed during the year in which the services are rendered and represent its total pension obligation. The Government is not currently required to make contributions with respect to any actuarial deficiencies of the pension plan.

Other retirement benefits for Government employees include extended health care for retired employees who choose to participate in the plan and a life insurance plan for retirees who meet certain criteria. They are both non-pension defined benefit plans. Liabilities for these benefits are triennially valued on an actuarial basis using the projected benefit method prorated on service, with an actuarial valuation for accounting purposes updated annually. Non-pension retirement benefit expenses for these plans are recognized as the member renders service. Actuarial gains and losses are amortized on a straight-line basis over the estimated average remaining service lives of the participants. Both extended health care and life insurance retirement benefits are not funded and thus have no plan assets, resulting in a plan deficit equal to the accrued benefit obligation.

Retirement benefits to Members of the Legislative Assembly, territorial court judges, and the employees of Yukon University and the Yukon Hospital Corporation are defined benefit plans and are valued on an

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

actuarial basis. Actuarial valuations of these benefits are performed triennially using the projected benefit method prorated on service, with an actuarial valuation for accounting purposes updated annually. Pension expenses for these plans are recognized as the member renders services. Actuarial gains and losses are amortized on a straight-line basis over the estimated average remaining service lives of the participants. The accrued benefit liability for these plans is calculated as the accrued benefit obligation less plan assets, if any, adjusted by unamortized actuarial gains or losses. Plan assets are valued at fair value.

#### Environmental liabilities

Contaminated sites and other environmental liabilities, which include abandoned mines and Type II sites, are accrued and an expense recorded based on management's best estimates when the contamination occurs, when the Government becomes aware of the contamination and when the Government is obligated to incur such costs. If the likelihood of the Government's obligation to incur these costs is not determinable, the contingency is disclosed in the notes to the financial statements.

#### Asset retirement obligation liabilities

An asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) The past transaction or event giving rise to the liability has occurred;
- (iii) It is expected that future economic benefits will be given up; and
- (iv) A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities. The estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. The discount rate used reflects the reporting entity's cost of borrowing, associated with the estimated number of years to complete retirement or remediation.

If the tangible capital asset is in productive use, the estimated obligation is recorded as a liability and increase to the related tangible capital asset. The capitalized asset retirement cost is amortized on the same basis as the related tangible capital asset and recorded in amortization expense. If the tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

The liability is adjusted annually for accretion due to the passage of time over the expected term to settlement of the obligation based on the applicable discount rate. Accretion is recorded as an expense.

The carrying value of the liability is reviewed at each financial reporting date. Any changes in the amount or timing of the underlying future cash flows or any other new information impacting the estimate are recognized as a change in estimate in the period the new information is identified and accounted for prospectively. The Government continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

#### Borrowings

Borrowings include embedded interest rate swap derivatives. These embedded derivatives are not separated from the loan agreements and are not accounted for as standalone derivative instruments because the economic characteristics and risks associated with these embedded derivatives are closely related to those of the loan agreements. Therefore, they are included in the measurement of the borrowings.

#### Financial Instruments

Financial instruments are contracts that give rise to the financial assets of one entity and financial liabilities or equity instruments of another entity. Financial instruments are measured at fair value or cost/amortized cost. Fair value measurement will apply to portfolio investments in equity instruments that are quoted in an active market. Also, when groups of financial assets and financial liabilities are managed on a fair value basis they may be reported on that basis. Other financial assets and financial liabilities will generally be measured at cost or amortized cost. Until an item is derecognized, gains and losses arising due to fair value remeasurement will be reported in the consolidated statement of remeasurement gains and losses. The following is a list of the Government's financial instruments and their related measurement basis as at March 31, 2024:

<b>Financial Assets:</b>	<b>Measurement Basis</b>
Cash and cash equivalents	Cost
Due from Government of Canada	Cost
Accounts receivable	Cost
Portfolio investments	Fair value
Advances to government business enterprises	Amortized cost
Loans receivable	Amortized cost

<b>Financial Liabilities:</b>	<b>Measurement Basis</b>
Bank advances and short-term borrowings	Cost
Due to Government of Canada	Cost
Accounts payable and accrued liabilities	Cost
Borrowings	Amortized cost

#### Fair Value Measurement

The determination of fair value requires judgment and is based on market information where available and appropriate. Fair value measurements are categorized, based on the nature of the inputs used, into one of three levels within a fair value hierarchy as follows:

Level 1 - Fair value is based on quoted market prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted market prices for similar (but not identical) assets or liabilities in active markets, quoted market prices for identical assets or liabilities in markets that are not active, and other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on non-observable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

For financial instruments measured at cost or amortized cost, transaction costs are a component of the cost of the financial instruments and gains and losses are recognized in the statement of operations and accumulated operating surplus. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Foreign currency transactions are translated at the exchange rate in effect at the transaction date.

#### Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues, and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant although, at the time of preparation of these financial statements, the Government believes the estimates and assumptions to be reasonable.

Some of the more significant management estimates relate to post-employment and retirement benefits, environmental liabilities, asset retirement obligations, amortization of tangible capital assets, corporate and personal income tax revenue, and contingencies.

The provision for environmental liabilities is subject to a high degree of measurement uncertainty because the existence and extent of contamination, the responsibility for, and the timing and cost of remediation activities are complex and subjective. These estimates require a high degree of management judgment. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined.

The provision for asset retirement obligations is subject to a high degree of measurement uncertainty because determining the timing and cost of retirement activities are complex and subjective. These estimates require a high degree of management judgment. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined.

### 3. Adoption of accounting standards

The following Public Sector Accounting Standards came into effect for fiscal periods beginning on or after April 1, 2023:

#### PS 3160 – Public Private Partnerships

The Government adopted Canadian Public Sector Accounting Standard PS 3160 Public Private Partnerships (“PS 3160”) on April 1, 2023. This new accounting standard establishes standards for the recognition, measurement and classification of infrastructure procured through certain types of public private partnership arrangements. The Government has assessed that there is no impact of adopting PS 3160 on its 2023-24 consolidated financial statements.

#### PS 3400 – Revenue

On April 1, 2023, the Government adopted Canadian Public Sector Accounting Standard PS 3400, Revenue (“PS 3400”). The standard was adopted prospectively from date of adoption. The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

and the measurement, presentation, and disclosure of revenue transactions. Revenues that have performance obligations (exchange transactions) are recognized at a point in time or over a period of time based on when the performance obligations are met, while revenues that do not have a performance obligation (non-exchange transactions) are recognized at a point in time, when the transaction occurs. The impact of changes in the accounting policies are reflected in the 2023-24 consolidated financial statements (Note 14).

4. **Cash and cash equivalents**

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Bank balances	\$ 54,056	\$ 94,378
Cash on hand	<u>63</u>	<u>66</u>
	<u>\$ 54,119</u>	<u>\$ 94,444</u>

5. **Due from/to Government of Canada**

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Due from Government of Canada		
Cost-sharing agreements and projects delivered on behalf of the Government of Canada	\$ 143,152	\$ 145,393
Income tax	6,397	3,905
GST receivable	-	17,054
Other	<u>568</u>	<u>7,450</u>
	<u>\$ 150,117</u>	<u>\$ 173,802</u>
Due to Government of Canada		
RCMP	\$ 15,233	\$ 11,304
Public Service Pension Plan contribution	9,866	8,610
Payroll taxes	7,356	13,309
Program funding liable for claw back	3,081	3,534
Type II mine sites	1,033	996
CMHC mortgages and loans	545	791
Other	<u>4,158</u>	<u>3,626</u>
	<u>\$ 41,272</u>	<u>\$ 42,170</u>

Amounts due from and due to the Government of Canada are payable on demand and are non-interest bearing except for mortgages and loans due to CMHC (Note 19). The carrying amounts, with the exception of mortgages and loans due to CMHC, approximate fair values because of their short term to maturity.



GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

6. **Accounts receivable**

	2024	2023
	(thousands of dollars)	
Taxes, interest, other revenue, and recovery receivables	\$ 48,827	\$ 28,317
Less: valuation allowances	(4,972)	(3,775)
	43,855	24,542
Due from government business enterprises that are not fully consolidated	3,830	2,579
	<u>\$ 47,685</u>	<u>\$ 27,121</u>

7. **Portfolio investments**

The classification of investments by level within the valuation hierarchy is as follows:

	Quoted prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total 2024	Total 2023
	(thousands of dollars)				
Short-term investments	\$ 145	\$ 2,420	\$ -	\$ 2,565	\$ 4,390
Bonds	-	5,906	-	5,906	6,252
Mortgages	-	4,047	-	4,047	3,810
Equities	4,201	26,309	-	30,510	25,563
Debt securities	2,480	-	-	2,480	2,300
Investments at fair value	<u>\$ 6,826</u>	<u>\$ 38,682</u>	<u>\$ -</u>	<u>\$45,508</u>	<u>\$ 42,315</u>

Portfolio investments include designated investments set aside within the Consolidated Revenue Fund (Note 8). The investments are managed by a third party.

8. **Designated assets**

The Government has designated a portion of its assets for the purpose of meeting the obligations under Part 3 (Supplemental Plan) of the *Legislative Assembly Retirement Allowances Act* (Yukon) as well as the "Severance allowance" section of the *Legislative Assembly Act* (Yukon).

Designated assets of \$38,682,000 (2023 - \$36,175,000) are included in portfolio investments (Note 7).

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

9. **Loans receivable**

	2024	2023
	(thousands of dollars)	
Yukon Housing Corporation mortgages receivable, secured by registered charges against real property, chattel mortgages or general security agreements, due in varying annual amounts to the year 2036 (2023 – 2029) bearing interest rates ranging from 0.00% to 8.20% (2023 – 0% to 7.70%), net of allowance for subsidies and valuation of \$176,000 (2023 – \$181,000) and discount in the amount of \$769,000 (2023 – \$458,000) for loans with concessionary terms.	\$ 28,672	\$ 29,319
Agreements for sale of land, due in varying annual amounts over a three, or five, year term to the year 2029 (2023 – 2028) bearing interest rates ranging from 5.00% to 7.75% (2023 – 5.00% to 7.00%).	23,089	19,270
Regional Relief and Recovery Fund loans providing assistance to businesses to recover from COVID-19 pandemic, due with forgivable terms, bearing interest rates ranging from 0.00% to 5.00%.	437	2,193
Local improvement loans, due in varying annual amounts to the year 2040 (2023 – 2040), bearing interest rates ranging from 0.00% to 5.25% (2023 – 0.50% to 5.25%).	8,948	9,222
Debenture loans to municipalities, due in varying annual amounts to the year 2038 (2023 – 2034), bearing interest rates ranging from 2.72% to 6.38% (2023 – 2.72% to 6.38%).	2,379	2,051
Other, net of allowance for doubtful accounts of \$1,267,000 (2023 – \$322,000).	4,927	5,712
	<u>\$ 68,452</u>	<u>\$ 67,767</u>

The Government received non-cash consideration for sale of land of \$16,066,000 (2023 - \$8,351,000) in the form of loans receivable.

10. **Inventories for resale**

	2024	2023
	(thousands of dollars)	
Land		
Undeveloped land	\$ 603	\$ 603
Land under development	67,237	44,638
Developed land	16,818	32,304
	<u>84,658</u>	<u>77,545</u>
Other	190	170
	<u>\$ 84,848</u>	<u>\$ 77,715</u>

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

11. **Investment in government business enterprises**

(a) Summary financial statements

Summary financial statements of the government entities accounted for by the modified equity method are provided below. The Yukon Liquor Corporation has a fiscal year-end of March 31. The Yukon Development Corporation ("YDC") has a fiscal year-end of December 31, therefore, the Government uses YDC's unaudited interim financial statements for the year ended March 31 for consolidation purposes. These summary financial statements are prepared in accordance with International Financial Reporting Standards:

	Yukon Development Corporation	Yukon Liquor Corporation	2024 Total	2023 Total
	(thousands of dollars)			
<b>Assets</b>				
Current	\$ 46,017	\$ 6,881	\$ 52,898	\$ 51,652
Capital assets	560,008	1,616	561,624	519,133
Regulatory deferral (Note 11(f))	33,578	-	33,578	31,137
Right of use of assets	-	289	289	612
Other	33,901	77	33,978	25,902
	<u>\$ 673,504</u>	<u>\$8,863</u>	<u>\$ 682,367</u>	<u>\$ 628,436</u>
<b>Liabilities</b>				
Current	\$ 72,198	\$ 5,012	\$ 77,210	\$ 32,872
Long-term debt	224,534	-	224,534	221,338
Regulatory deferral (Note 11(f))	24,698	-	24,698	22,449
Contributions in aid of construction	106,599	-	106,599	100,851
Lease liabilities	656	22	678	426
Other	16,825	1,640	18,465	24,005
Equity	<u>227,994</u>	<u>2,189</u>	<u>230,183</u>	<u>226,495</u>
	<u>\$ 673,504</u>	<u>\$ 8,863</u>	<u>\$ 682,367</u>	<u>\$ 628,436</u>
<b>Revenues</b>	\$ 103,641	\$ 20,616 <sup>1</sup>	\$ 124,257	\$ 128,767
<b>Expenses</b>	<u>94,153</u>	<u>12,219</u>	<u>106,372</u>	<u>108,306</u>
Surplus (deficit) before the following:	9,488	8,397	17,885	20,461
Net movement in regulatory deferral (Note 11(f))	<u>(5,840)</u>	<u>-</u>	<u>(5,840)</u>	<u>(4,622)</u>
Surplus (deficit)	<u>\$ 3,648</u>	<u>\$ 8,397</u>	<u>\$ 12,045</u>	<u>\$ 15,839</u>

<sup>1</sup> Yukon Liquor Corporation revenue is shown as net of cost of goods sold of \$33.658 million (2023 - \$30.747 million).

GOVERNMENT OF YUKON

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	Yukon Development Corporation	Yukon Liquor Corporation	2024 Total	2023 Total
		(thousands of dollars)		
Equity, beginning of year	\$ 224,355	\$ 2,140	\$ 226,495	\$ 217,434
Surplus (deficit)	3,648	8,397	12,045	15,839
Other comprehensive gain (loss)	(9)	85	76	1,264
Profit to be remitted to the Government	-	(8,433)	(8,433)	(8,042)
Equity, end of year	<u>\$ 227,994</u>	<u>\$ 2,189</u>	<u>\$ 230,183</u>	<u>\$ 226,495</u>

Equity represents the Government's investment in the government business enterprises.

(b) Inter-entity balances and transactions

	Yukon Development Corporation	Yukon Liquor Corporation	2024 Total	2023 Total
		(thousands of dollars)		
	\$	\$	\$	\$
Government of Yukon:				
Accounts receivable from	1,402	2,428	3,830	2,579
Advance receivable from	34,200	-	34,200	34,200
Accounts payable to	9,051	-	9,051	19,236
Long-term obligations to	85	-	85	85
Revenues from	-	8,433	8,433	8,042
Expenses to	45,815 <sup>1</sup>	-	45,815	49,889

<sup>1</sup> Includes cost of electricity of \$17.531 million (2023 — \$17.406 million) purchased by the Government from an unrelated third party. This unrelated party buys electricity from the Yukon Development Corporation's wholly owned subsidiary, Yukon Energy Corporation.

(c) Advance receivable

Yukon Development Corporation

In 2018 the Government advanced \$39,200,000 to the YDC for the development of the Whitehorse diesel - natural gas conversion project, which was completed by the Yukon Energy Corporation ("YEC"), YDC's wholly owned subsidiary. The term of the loan is to March 31, 2028, and pursuant to the

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

agreement, the loan may be extended for additional five-year terms upon mutual consent of the parties. The per annum interest rate was based off the one-year indicative swap rate plus a 0.4% premium increase. The rate of interest effective on March 31, 2024 was 5.15% (2023 – 2.82%). The loan agreement requires principal repayments of \$1 million on March 31 each year and full repayment of any principal outstanding at the end of each loan term if the loan is not extended. The payment due March 31, 2024 from YDC was received in April 2024.

#### (d) Commitments

##### Yukon Development Corporation

In June 2010, the YDC issued 30-year bonds in the amount of \$100 million at a fixed coupon rate of 5.0% per annum. In the Memorandum of Understanding (“the MOU”) between the Government and YDC dated March 10, 2011, the Government agreed to provide YDC with financial assistance to a maximum of \$2,625,000 annually from April 1, 2011 to March 31, 2042, based on a prescribed formula where, depending on the annual financial results of YDC, the Government funding will be reduced or eliminated. In 2023/2024, the Government paid \$2,428,000 (2023 – \$2,625,000) to YDC based on the MOU.

The Government has committed funding to YDC under the Interim Electrical Rebate program. The funding had been authorized to March 31, 2024 and was continued for up to \$3,500,000 for 2024/2025. This rebate program provides subsidies to non-government residential customers. It was initially implemented in 2009 as an interim replacement of the Rate Stabilization Fund. During the fiscal year 2023/2024, the Government provided \$3,413,000 (2023 – \$3,500,000) to YDC for this purpose.

As at March 31, 2024, the YEC, the wholly-owned subsidiary of YDC, had contractual obligations for future purchases of products or services in the amount of \$55,933,000 (2023 – \$75,452,000).

The Yukon Water Board has issued licenses to YEC for the purposes of operating Hydro generation stations in the Yukon. The licenses also indicated the terms and conditions for the operation of these facilities. The current water licenses have the following terms:

Aishihik Generating Station	December 31, 2027
Mayo Generating Station	December 31, 2025
Whitehorse Generating Station	December 31, 2025

##### Yukon Liquor Corporation

In the normal course of operations, the Yukon Liquor Corporation enters into multi-year arrangements for the provision of freight and other goods and services. The total commitments as at March 31, 2024 for future years are \$10,602,000 (2023 – \$3,052,000).

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(e) Contingencies

Yukon Development Corporation

YEC has not recognized a provision for asset retirement obligations for the closure and restoration obligations for certain generation, transmission and distribution assets. YEC anticipates maintaining and operating these assets for an indefinite period, making the dates of retirement of the assets indeterminate. The significant uncertainties around the timing of any potential future cash outflows are such that a reasonable estimate of the liability is not possible at this time. A provision will be recognized when the timing of the retirement of these assets can be reasonably estimated.

(f) Regulatory Deferral Accounts

Yukon Development Corporation

Regulatory deferral accounts in YDC's financial statements are accounted for differently than they would be in the absence of rate regulation. Where regulatory decisions dictate, YDC defers certain expenses or revenues as regulatory deferral account debit balances or regulatory deferral account credit balances and recognizes them in the net movement in regulatory deferral account balances as it collects or refunds amounts through customer rates. Any adjustments to these regulatory deferral accounts are recognized in the net movement in regulatory deferral account balances in the period that the Yukon Utilities Board ("YUB") renders a subsequent decision. All amounts maintained as regulatory deferral account debit balances and regulatory deferral account credit balances are expected to be recovered or settled and are assessed on an annual basis by comparing the rates approved by the YUB to the current balances.

The net movement in regulatory deferral account balances is included in income from investment in government business enterprises in the Government's consolidated statement of operations and accumulated operating surplus.

12. **Bank advances and short-term borrowings**

The amounts borrowed from lines of credit fluctuated throughout the year with interest rates between 5.85% to 6.35%. Interest expense incurred was \$2,220,000 (2023 - \$99,000).

The Government's financial institutions have legally enforceable rights to set off the outstanding balance under the line of credit by cash balances in other accounts with the same financial institution.

The bank advances and short-term borrowings are comprised of:

	2024	2023
	(thousands of dollars)	
Bank balance	\$ (89,008)	\$ -
Line of credit	194,071	-
	<u>\$ 105,063</u>	<u>\$ -</u>

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**Notes to Consolidated Financial Statements**  
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13. **Accounts payable and accrued liabilities**

	2024	2023
	(thousands of dollars)	
Accounts payable	\$ 98,869	\$ 96,938
Accrued liabilities	102,783	129,615
Contractors' holdbacks and security deposits	36,639	33,228
Due to government business enterprises (Note 11(b))	9,051	19,236
Other	6,812	516
	<u>\$ 254,154</u>	<u>\$ 279,533</u>

14. **Unearned revenues**

	2024	2023
	(thousands of dollars)	
Liability portion of government transfers <sup>1</sup>	\$ 49,271	\$ 23,964
Motor vehicle fees for future years <sup>2</sup>	-	2,976
Prepaid lease payments	9,200	9,200
Other	10,989	8,020
	<u>\$ 69,460</u>	<u>\$ 44,160</u>

<sup>1</sup> The liability portion of government transfers represents transfer payments from the Government of Canada, which have funding stipulations that gave rise to a liability as of year-end.

<sup>2</sup> The prior year balance was recognized in revenue in the current year upon adoption of PS 3400 (Note 3). Motor vehicle licensing fees are no longer deferred.

15. **Environmental liabilities**

The following table presents the total estimated amounts of environmental liabilities:

	2024		2023	
	Number of sites	Estimated Liability	Number of sites	Estimated Liability
	(thousands of dollars)			
Liabilities for:				
Highway maintenance camps and airports	35	\$ 27,120	35	\$ 13,713
Other storage tanks and buildings	59	9,110	50	10,912
Marwell Tar Pit	1	25	1	67
Wellgreen	1	20,625	1	14,407
Wolverine	1	44,613	1	43,314
Minto	1	70,980	-	-
Other	16	12,747	15	5,311
	<u>114</u>	<u>185,220</u>	<u>103</u>	<u>87,724</u>

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
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Type II sites	1	4,722	1	4,728
	115	\$ 189,942	104	\$ 92,452

(a) Contaminated sites and other environmental liabilities

The Government has recorded environmental liabilities for contaminated sites of \$185,220,000 (2023 - \$87,724,000). These liabilities consist of estimated costs related to the remediation of contaminated sites as well as estimated costs associated with other liabilities related to these sites. The liabilities are determined on a site-by-site basis and are based on preliminary environmental assessments or estimation for those sites where an assessment has not been conducted. The amount recorded is based on management's best estimates utilizing the information available at the financial statement date. The amount of liabilities becomes determinable over a continuum of events and activities as information becomes available. As a result, the actual amount of liabilities to remediate these sites could vary significantly.

As at March 31, 2024, the Government was aware of 114 sites (2023 – 103 sites) where the Government is obligated or is likely obligated to incur such costs. During the year remediation work was undertaken at 16 sites.

One of the 114 contaminated sites, **Marwell Tar Pit**, has been formally designated as contaminated under the *Environment Act* (Yukon) and the *Contaminated Sites Regulation*. The Government is not a "responsible party" as defined by the *Environment Act* (Yukon) and determined by the *Contaminated Sites Regulation*. The Government of Canada was the landowner when the contamination occurred. In September 2010, the Government and the Government of Canada entered into an agreement to remediate the site over 11 years with a total estimated cost of \$6,800,000, of which the Government is to fund 30% or \$2,040,000 and the Government of Canada \$4,760,000. As at March 31, 2024, \$25,000 (2023 – \$67,000) was recorded as the remaining liability for this site.

A site known as **Wellgreen** ceased operations in the 1970's. The Government of Canada approved the tailings dam and resulting pond built at that time as meeting required specifications; however, concerns regarding the level of water in the pond were raised. Initial assessment confirmed that further remediation of the site is required. Negotiations with the previous owner and the Government of Canada are underway to establish final levels of responsibility and liability. Remediation has been estimated at \$20,625,000 (2023 - \$14,407,000), which reflects the Government's potential exposure before any potential recoveries from the other parties.

The **Wolverine mine** site was owned and operated by Yukon Zinc Corporation under a license pursuant to the *Quartz Mining Act* (Yukon). After operating for a short period of time, during which the required financial security for potential closure and remediation costs was not provided in full, the company was placed in receivership on September 16, 2019. After several legal rulings and appeals, the court appointed receiver was unsuccessful in finding a viable purchaser of the mine and recommended it be turned over to the government for closure. The Government has included \$44,613,000 (2023 - \$43,314,000) as an estimated liability for the remediation of this mine.

In May 2023, **Minto Metal Corporation** abandoned its mine site located on Selkirk First Nation Category Settlement Land. The Government, in its regulatory capacity, determined that the mining operation was abandoned and acted under its powers in the *Quartz Mining Act* and *Water Act* to protect persons, property and environment. The total reclamation and closure activities have been estimated at



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### Notes to Consolidated Financial Statements March 31, 2024

\$94,973,000 which reflects the Government's estimated exposure before any recoveries from other parties. The corresponding expense was recognized in expenses in the statement of operations and accumulated operating surplus under Natural resources (Note 22 and Schedule B).

There is a related \$3,080,000 security from Minto Metal Corporation which is held in trust and a security bond of \$72,000,000 that can be accessed by the Government. During 2024, \$23,993,000 in associated costs were incurred. The Government claimed \$23,811,000 in recovery which was recorded in third party recoveries at March 31, 2024. By year end \$18,109,000 was received and \$5,702,000 was recorded as accounts receivable. As a result, the remaining liability for the Minto mine was reduced to \$70,980,000 as at March 31, 2024.

#### (b) Type II sites

Pursuant to the Devolution Transfer Agreement ("DTA"), the Government of Canada retained responsibility for the clean-up of waste sites that were identified on lands transferred effective April 1, 2003. The Government of Canada also accepted financial responsibility for the remediation of impacts attributable to activities that took place prior to April 2003 on the mine sites identified as Type II sites, which have been abandoned by their owner/operator. Except for the Ketza River site discussed below, the Government is not aware of any financial obligations on its part in relation to these mine sites.

On April 10, 2015, Veris Gold Corporation abandoned the Ketza River mine site ("the site"). The site is identified as a Type II mine site in the DTA between the Government and the Government of Canada. The Government has provided notice to the Government of Canada pursuant to the DTA that the site has been abandoned by its owner/operator. Once a Type II site becomes abandoned the DTA requires that an Independent Assessor assess the condition of the site and develop a remediation plan. The Government is responsible for the cost of this assessment. Under the DTA, the Government of Canada accepted financial responsibility for the remediation of impacts attributable to activities that were permitted by the Government of Canada. The Government will be financially responsible for remediation of impacts of activities it permitted after devolution. The Government's costs, if any, may be offset by the security bond it holds. The financial obligations related to the assessment required under the DTA are estimated to be \$4,722,000 (2023 - \$4,728,000) and remediation costs, if any, which are the Government's responsibility, are currently undeterminable. No assets are designated for settling these liabilities.

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The following table presents the total estimated amounts of asset retirement obligation liabilities:

	Asbestos & other hazardous building materials	Forestry access roads	Fuel tanks	Landfills	2024	2023
			(thousands of dollars)			
Opening balance	\$ 50,671	\$ 612	\$ 2,627	\$ 15,519	\$ 69,429	\$ 75,121
Liability incurred	598	16	-	-	614	12
Liability settled	(400)	-	-	-	(400)	(701)
Accretion	1,517	18	80	388	2,003	1,873
Changes in estimates	(10,929)	(56)	(392)	-	(11,377)	(6,876)
	\$ 41,458	\$ 590	\$ 2,315	\$ 15,907	\$ 60,269	\$ 69,429

(a) *Asbestos & other hazardous building materials liability*

(b) *Forestry access roads liability*

(c) *Fuel tanks liability*

The Government has asset retirement obligations for its fuel tanks under *the Environment Act (Yukon) – Storage Tank Regulations*. Asset retirement activities for the fuel tanks include decommissioning or dismantling the tanks, remediation of contamination from their normal use, and post-retirement monitoring. The fuel tanks have an estimated remaining useful life ranging from 9 to 20 years (2023 - 10 to 21 years). Estimated costs have been discounted to their present value using a discount rate range of 3.45% to 4.50% per annum (2023 – 2.50% to 3.00%). The retirement costs are expected to be incurred between 2033 and 2053.

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(d) *Landfill liability*

There are 23 active or closed landfill sites that are outside incorporated communities that are operated by the Government. These landfill sites are subject to the *Environment Act (Yukon)* – Solid Waste Regulations which includes requirements for closure and post-closure care of a landfill. In calculation of the liability for these sites, the remaining landfill life was estimated to be from 0 to 49 years (2023 – 0 to 50 years). Solid waste permits issued under the Solid Waste Regulations specify 25 years of post-closure monitoring; therefore, 25 years is used as an estimated length of time needed for post-closure care. A discount rate of 2.50% per annum (2023 – 2.50%) was used for the net present value calculation for active and closed landfill sites. The retirement costs are expected to be incurred between 2025 and 2099.

17. **Post-employment benefits and compensated absences**

(a) The Government of Yukon and Yukon Housing Corporation

Employees of the Government of Yukon and the Yukon Housing Corporation receive severance benefits that are paid on termination of service or upon retirement based on the number of years worked, the level of the pay at the time of termination or retirement and the category of employment. In addition, if an employee has at least five years of continuous service, a cash-in of sick leave will be paid. The cash-in amount is calculated as 1/3 of unused sick leave credits to a maximum of 60 days multiplied by the daily pay rate at termination or retirement.

The Government and the Yukon Housing Corporation have conducted actuarial valuations of post-employment benefits as at December 31, 2022. March 31, 2024, amounts are based on an extrapolation of the December 31, 2022 amounts. These post-employment benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

The Government and the Yukon Housing Corporation also account for compensated absences liabilities in accordance with Canadian public sector accounting standards. Compensated absences include sick leave benefits, vacation leave benefits, special leave benefits and educational leave benefits.

Effective December 31, 2019 all current resignation and retirement severance accruals have been frozen for employees classified as Deputy Ministers and Managers. All employees in this group are eligible to receive severance payouts based on service accrued prior to December 31, 2019.

Effective June 30, 2018 all current and retirement severance accruals were frozen for certain employees of the Government. All employees in this group are entitled to receive severance payouts based on service accrued prior to June 30, 2018.

Members of the Yukon Legislative Assembly receive a severance benefit in accordance with the *Legislative Assembly Retirement Allowance Act, 2007* (Yukon). The accrued benefit obligation is calculated actuarially using the projected benefit method prorated on service. The accrued benefit liability at March 31, 2024 is based on an extrapolation of an actuarial valuation that was performed as at December 31, 2022. The Government has designated a portion of its assets for the purpose of meeting this obligation (Note 8).

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(b) Yukon University

Yukon University's cost of benefit plans, other than pensions, including severance benefits, sick leave and managers' accrued leave, payable upon termination of employment, death or retirement, is actuarially determined using the projected accrued benefit method prorated on employment services. These post-employment benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. The actuarial valuation of the accrued benefit liability was performed as at March 31, 2024.

Yukon University accrues vacation leave and other compensated absences for employees as earned.

(c) Yukon Hospital Corporation

Employees of the Yukon Hospital Corporation are entitled to specified severance, special leave and sick leave benefits as provided for under union contracts and conditions of employment. There are no segregated assets for these post-employment benefits.

The Yukon Hospital Corporation accrues vacation leave as earned. This liability is included in accounts payable and accrued liabilities.

The accrued liabilities for the above benefits were as follows:

	2024	2023
	(thousands of dollars)	
Post-employment benefits and compensated absences liability		
Government of Yukon employees	\$ 133,664	\$ 131,560
Members of Yukon Legislative Assembly	1,308	1,104
Yukon Hospital Corporation	3,369	2,905
Yukon Housing Corporation	2,230	2,497
Yukon University	10,325	10,811
	<u>150,896</u>	<u>148,877</u>
(Schedule D)	<u>\$ 150,896</u>	<u>\$ 148,877</u>

18. **Retirement benefits**

(a) Public Service Pension Plan

The Government's employees participate in the Public Service Pension Plan administered by the Government of Canada. In this plan, employees accumulate pension benefits up to a maximum period of 35 years at 2% per year of pensionable service based on the average of their five consecutive years of highest paid services. In December 2012, the Government of Canada passed legislation to create a new group of plan members for the employees who join the plan on or after January 1, 2013. This group of plan members is eligible to retire with an unreduced public service pension benefit at age 65 with at least two years of pensionable service (or at age 60 with at least 30 years of service) while the old group of members is eligible to retire with an unreduced public service pension benefit at age 60 with at least two years of pensionable service (or at age 55 with at least 30 years of service). Since January 1, 2013, there are two groups paying different rates of contributions to the plan.

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In the calendar year 2023, the Government contributed \$1.02 for every dollar contributed by the old group of plan members and \$1.00 for the new group of plan members. For the portion of the employee's salary above \$196,200 the Government contributed \$5.29 for every dollar contributed by both groups of plan members.

In the calendar year 2024, the Government contributes \$1.02 for every dollar contributed by the old group of plan members and \$1.00 for the new group of plan members. For the portion of the employee's salary above \$202,000 the Government contributes \$4.63 for every dollar contributed by both groups of plan members.

The Government's contributions to the Public Service Pension Plan during the year and recorded as expenses were \$47,768,000 (2023 – \$41,687,000).

#### (b) Legislative Assembly Retirement Allowances Plan

The Legislative Assembly Retirement Allowances Plan is a contributory defined benefit pension plan. These benefits are based on service and earnings. The Members' Services Board of the Legislative Assembly is responsible, pursuant to the *Legislative Assembly Retirement Allowances Act* (Yukon), for the administration of the Plan.

The funds are held by an investment manager in two different accounts. The first account holds the assets of the trust fund for the registered pension plan established pursuant to Parts 1 and 2 of the *Legislative Assembly Retirement Allowances Act*. The second account holds the assets of the Government, from which benefits under Part 3 of the *Legislative Assembly Retirement Allowances Act* are paid (Note 8). It is the Government's policy to fully fund Parts 1 and 2 of this pension plan.

The *Legislative Assembly Retirement Allowances Act* stipulates that actuarial valuations for funding purposes must be performed at least triennially. An actuarial valuation is based on a number of assumptions about future events, such as inflation rates, interest rates, salary increases and member turnover and mortality. The assumptions used in a valuation for funding purposes are based on the actuary's best estimates with margins for conservatism. The last actuarial valuation for funding purposes was performed as of March 31, 2021. The accrued benefit obligation as at March 31, 2024 is based on an actuarial valuation performed for accounting purposes using the membership data as of March 31, 2021.

#### (c) Territorial Court Judiciary Pension Plan

The Territorial Court Judiciary Pension Plan is a defined benefit pension plan, which is comprised of a judiciary registered pension plan, a judiciary retirement compensation arrangement and a supplementary judiciary pension plan. In addition to pension payments, these plans also contain a provision for payment of lump sum death and severance allowances. The Plan is administered by the Public Service Commissioner in the meaning assigned by the *Public Service Act* (Yukon).

Pursuant to the *Territorial Court Judiciary Pension Plan Act* (Yukon), the pension fund assets for the judiciary registered pension plan and the judiciary retirement compensation arrangement are held separate and distinct from the Government's operations and are managed by an investment manager. The *Territorial Court Judiciary Pension Plan Act* stipulates that no contributions are to be made to the supplementary judiciary pension plan, and no fund is to be maintained for this plan.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

The last actuarial valuation for funding purposes was performed as of March 31, 2023. The accrued benefit obligation as at March 31, 2024 is based on an actuarial valuation performed for accounting purposes using the membership data as of March 31, 2023.

#### (d) Yukon University Employees' Pension Plan

The Yukon University ("the University") Employees' Pension Plan is a contributory defined benefit pension plan. The University's pension plan provides mandatory pension benefits for all full-time employees and optional benefits for part-time employees after 24 months of continuous service. The University's pension plan provides for defined retirement benefits based on an employee's years of service and average final earnings, in accordance with the *Pension Benefits Standards Act, 1985* (Canada). The University has contracted with external organizations to provide the services of trustee, administration, consulting and investment manager for the pension plan. The pension plan assets are held by a trustee and separate financial statements are prepared for the pension plan.

An actuarial valuation for accounting purposes was performed as at March 31, 2024 following the Canadian public sector accounting standards. An actuarial valuation for funding purposes was performed as at June 30, 2023, which established Yukon University's required contributions as 100% (69.7% up to December 31, 2022 and 100% from January 1, 2023) of employee contributions.

The actuarial valuation for funding purposes as at June 30, 2023 indicates the University had an actuarial surplus of \$18,145,000 (June 30, 2022 – \$29,889,000) at the measurement date on a going-concern basis and a surplus of \$11,678,000 (June 30, 2022 – \$12,830,000) if valued on the basis that the pension plan was to be terminated/wound up as at June 30, 2023. The solvency ratio of the plan was 100% at June 30, 2023 (100% at June 30, 2022).

For any unfunded pension liability, the University has obtained a letter of credit in lieu of making solvency payments. The amount of the letter of credit is equal to the amount of solvency payments required as determined by the actuary. The Government has issued letters to a bank guaranteeing that, should there be a requirement to draw upon the letters of credit required by Yukon University to address its solvency deficit in its pension plan, the Government will provide the necessary financial support to address any resulting debt, interest and costs that may be required under the federal pension legislation. This guarantee remains in effect until December 31, 2024. The maximum amount of letters of credit to which this guarantee applies is \$22,061,000 (2023 – \$22,061,000).

#### (e) Yukon Hospital Corporation Employees' Pension Plan

The Yukon Hospital Corporation ("the Corporation") Employees' Pension Plan is a contributory defined benefit pension plan, which provides defined retirement benefits based on the length of service and final average earnings of an employee and is administered by the Corporation's Board of Trustees. A separate pension fund is maintained to hold plan assets. The Corporation has contracted with external organizations to provide trustee and investment management services for the fund.

An actuarial valuation for funding purposes was performed at December 31, 2023, which established the Corporation's required contribution as 115% (2022 – 115%) of employee contributions. This valuation reported that, as at December 31, 2023, the pension plan had a surplus of \$67,856,000 (2022 – \$63,245,000) on a going concern basis. The solvency ratio of the plan at December 31, 2023 is 109% (105% at December 31, 2022).

In accordance with the *Pension Benefits Standards Act, 1985*, the Corporation is required to make special payments when applicable to address any pension solvency requirements. The pension plan

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had a solvency surplus of \$16,491,000 in 2023 calendar year (2022 - \$8,785,000) if valued on the basis that the pension plan was terminated/wound up at the end of 2023 calendar year. The Corporation is allowed to cover up to a specified maximum with a conforming letter of credit that is guaranteed by the Government. As at March 31, 2024, the Corporation had a Government-guaranteed conforming letter of credit totalling \$27,992,000 (2023 - \$35,128,000). Effective June 1, 2024, the Corporation will take a contribution holiday in keeping with requirements of the Federal *Income Tax Act*.

An actuarial valuation for accounting purposes was performed as at March 31, 2024 following Canadian public sector accounting standards.

(f) Extended health care and life insurance retirement benefits

The Government provides optional extended health care benefits to retired employees as well as life insurance coverage to eligible retirees. The extended health care plan is self-insured. The accrued benefit obligation as at March 31, 2024 is based on an extrapolation of an actuarial valuation conducted as at December 31, 2022.

Effective for all employees retiring after January 1, 2019, the cost sharing arrangement for extended health benefits was revised. Existing retirees and those retiring prior to January 1, 2019 are not impacted by the change.

Effective April 1, 2020, the eligibility for post-retirement life insurance was amended through changes to Section M, the terms and conditions of employment for managers. Managers appointed to MG3 or higher positions prior to April 1, 2020 retain their eligibility for post-retirement life insurance on retirement. Management employees newly appointed at the MG3 level or higher as of April 1, 2020 are not eligible for post-retirement life insurance.

The accrued benefit liability (asset) for the above retirement benefits was as follows:

	2024	2023
	(thousands of dollars)	
Accrued benefit asset		
Yukon Hospital Corporation Employees' Pension Plan	\$ (69,499)	\$ (63,126)
Yukon University Employees' Pension Plan	(33,903)	(29,618)
	<u>\$ (103,402)</u>	<u>\$ (92,744)</u>
Accrued benefit liability		
Extended health care retirement benefit	\$ 80,851	\$ 79,017
Legislative Assembly Retirement Allowances Plan	29,055	30,560
Life insurance retirement benefit	4,115	4,028
Territorial Court Judiciary Pension Plan	9,276	10,137
	<u>\$ 123,297</u>	<u>\$ 123,742</u>
Total net benefit liability (Schedule E)	<u>\$ 19,895</u>	<u>\$ 30,998</u>

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**Notes to Consolidated Financial Statements**  
**March 31, 2024**

19. **Borrowings**

	2024	2023
	(thousands of dollars)	
Yukon Hospital Corporation – loans with a chartered bank. (see below)	\$ 18,804	\$ 23,612
Yukon Housing Corporation – mortgages payable to chartered banks and Canada Mortgage and Housing Corporation (CMHC), secured by fixed charges against housing projects, with net book value of \$527,000 (2023 – \$1,819,000), repayable in blended monthly payments with maturities up to the year 2028, bearing fixed interest rate of 5.00%.	251	379
Yukon University – non-interest-bearing loan repayable on demand within 90 days.	966	966
Yukon Housing Corporation – loans payable to chartered banks and CMHC, repayable in blended periodic instalments with maturities up to the year 2028, bearing fixed interest rates ranging from 7.50% to 9.50%.	293	412
Yukon Hospital Corporation – flexible term note payable to the Yukon Development Corporation, bearing interest rate at 7.50% repayable in annual instalments, based on the annual energy savings realized, secured by a general security agreement on building improvements with a net book value of \$0 (2023 – \$0).	85	85
	\$ 20,399	\$ 25,454
Less: Amounts included in Due to Canada (Note 5)	(545)	(791)
	<u>\$ 19,854</u>	<u>\$ 24,663</u>

Principal repayment requirements over the next five years on outstanding borrowings are as follows:

(thousands of dollars)

2025	\$ 6,232
2026	5,398
2027	5,005
2028	3,634
2029	130
	<u>\$ 20,399</u>



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Yukon Hospital Corporation – loans with a chartered bank

	2024	2023
	(thousands of dollars)	
Demand term installment loan with the CIBC with interest calculated at a fixed rate of 5.15% per annum for the Watson Lake Hospital construction project. Blended payments of \$160,000 due monthly with the final payment due on December 31, 2026.	\$ 4,905	\$ 6,524
Demand term installment loan with the CIBC with interest calculated at a fixed rate of 4.525% per annum for the Dawson City Hospital construction project. Principal payments of \$100,000 due monthly with the final payment due on April 1, 2028.	4,900	6,100
Demand term installment loan with the CIBC with interest calculated at a fixed rate of 5.23% per annum for the Crocus Ridge construction project. Blended payments of \$117,000 due monthly with the final payment due on March 15, 2028.	5,080	6,192
Demand term installment loan with the CIBC with interest calculated at a fixed rate of 5.30% per annum for the Pension solvency and Letter of Credit interest. Blended payments of \$93,000 due monthly with the final payment due on February 28, 2028.	3,919	4,796
	<u>\$ 18,804</u>	<u>\$ 23,612</u>

The remaining undiscounted contractual cash flows on Yukon Hospital Corporation's borrowings are \$24,786,000 as at March 31, 2024 (2023 - \$28,956,000).

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**Notes to Consolidated Financial Statements**  
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Borrowing Limit

The *Yukon Borrowing Limits Regulations* prescribe what constitutes borrowing, the entities whose borrowing must be taken into account, and the manner in which the value of a borrowing is determined.

An Order in Council (P.C. 2020-0663) came into force on September 20, 2020. These regulations pursuant to subsection 23(2) of the *Yukon Act* (Canada) provided authority to the Government and its entities to borrow in aggregate to a maximum of \$800 million.

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Authorized borrowing limit	\$ 800,000	\$ 800,000
Loans of money by government reporting entity:		
Government business enterprises		
Yukon Development Corporation, bonds	100,000	100,000
Yukon Development Corporation, other long-term debt	<u>92,528</u>	<u>88,383</u>
	<u>192,528</u>	<u>188,383</u>
Fully consolidated entities		
Yukon Hospital Corporation, bank loans	18,804	23,612
Yukon Housing Corporation, mortgages payable	251	379
Yukon University, loan payable	966	966
Yukon Housing Corporation, loans payable	<u>293</u>	<u>412</u>
	<u>20,314</u>	<u>25,369</u>
Accrued interest payable	2,098	2,165
Credit facilities used	159,715	16,729
Liabilities for leased tangible capital assets	<u>362</u>	<u>834</u>
Total debt	<u>375,017</u>	<u>233,480</u>
Available borrowing capacity	<u>\$ 424,983</u>	<u>\$ 566,520</u>

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**Notes to Consolidated Financial Statements**  
**March 31, 2024**

20. **Liabilities for leased tangible capital assets**

	2024	2023
	(thousands of dollars)	
Building lease obligation payable monthly until the year 2025, with imputed interest rate of 3.7%.	\$ 292	\$ 558
Building lease obligation payable monthly until the year 2024, with imputed interest rate of 3.3%.	70	276
	<u>\$ 362</u>	<u>\$ 834</u>

Interest expense related to liabilities for leased tangible capital assets for the year was \$99,000 (2023 – \$110,000) at an imputed average interest rate of 3.5% (2023 – 3.6%).

The following is a schedule of future minimum lease payments:

	(thousands of dollars)
2025	\$ 536
Less: amount representing executory costs	(135)
amount representing rental of land	(39)
amount representing interest	-
	<u>\$ 362</u>

GOVERNMENT OF YUKON

Notes to Consolidated Financial Statements  
March 31, 2024

21. **Tangible capital assets**

	2024	2023
	Net Book Value	Net Book Value
	(thousands of dollars)	
Land	\$ 19,950	\$ 19,950
Buildings	880,620	826,854
Equipment and vehicles	109,231	107,187
Computer hardware and software	51,825	53,963
Infrastructure	926,190	818,503
Land improvements and fixtures	52,117	53,082
Waste and water systems	57,508	58,123
Communications technology	102,772	58,220
(Schedule C)	<u>\$ 2,200,213</u>	<u>\$ 1,995,882</u>

Leased tangible capital assets are reported as part of the respective asset category. These leased assets are amortized on a straight-line basis over the lease term or estimated economic life. The amortization expense for the year was \$317,000 (2023 – \$990,000). The cost and accumulated amortization of leased capital assets that are included in the schedule of tangible capital assets are as follows:

	2024	2023
	(thousands of dollars)	
Buildings (cost)	\$ 4,273	\$ 9,907
Less: accumulated amortization	<u>(3,935)</u>	<u>(9,255)</u>
	<u>\$ 338</u>	<u>\$ 652</u>

22. **Expenses by object**

	2024	2023
	(thousands of dollars)	
Personnel	\$ 786,016	\$ 743,185
Government transfers	413,074	401,245
Contract and special services	278,613	277,739
Materials, supplies and utilities	177,764	158,513
Environmental obligations	120,360	9,552
Amortization	79,582	73,137
Accretion	2,003	1,874
Communication and transportation	52,409	50,438
Rent	59,937	56,846
Interest on long-term debt and capital lease obligations	1,310	1,323
Other	46,858	17,211
	<u>\$ 2,017,926</u>	<u>\$ 1,791,063</u>

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

23. **Trusts under administration**

The Government administers trust accounts on behalf of third parties, which are not included in the Government's assets.

The largest such trust account, the Compensation Fund (Yukon) has a fiscal year-end of December 31. Details of the assets of the Compensation Fund (Yukon), principally investments, are available from its financial statements, which are reproduced in Section III of the Public Accounts of the Government. At March 31, 2024, the remaining trust account balances were held in bank accounts or invested in term deposits and GICs.

Investments of the Compensation Fund (Yukon) are valued at fair value. Investments of the remainder of the trust accounts are valued at the lower of cost and market. Any other assets held under administration such as property, securities and valuables are reflected in trust accounts only upon conversion to cash. The following is a summary of the trusts under administration as at March 31, 2024, except for the Compensation Fund (Yukon) which is at December 31, 2023.

	2024	2023
	(thousands of dollars)	
Compensation Fund (Yukon)	\$ 277,633	\$ 243,621 <sup>1</sup>
Canada Community Building Fund	148,308	124,155
Lottery Commission	10,855	10,852
Crime Prevention and Victim Services	8,213	7,430
Forest Sector trust	6,675	6,309
Extended health and dental plan trust funds	465	3,844
Supreme Court trust	446	630
Public Guardian trust	2,006	1,754
Other	10,958	6,711
	<u>\$ 465,559</u>	<u>\$ 405,306</u>

<sup>1</sup> The figure has changed from the previously reported amount of \$246,720 because the Compensation Fund (Yukon) applied IFRS 17 Insurance Contracts for the first time in 2023, on a retrospective basis.

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

24. **Contractual rights**

The Government has entered into agreements to receive, or has contractual rights for, the following receipts subsequent to March 31, 2024:

	Expiry Date	2025	2026 – 2032	Total
		(thousands of dollars)		
Contribution and Service Agreements				
Infrastructure Canada	2031	\$ 101,119	\$ 389,787	\$ 490,906
Transport Canada	2029	101,065	183,760	284,825
Indigenous Services Canada	2032	26,299	157,794	184,093
Health Canada	2028	23,994	45,330	69,324
Canada Mortgage and Housing Corporation	2030	8,348	25,628	33,976
Environment and Natural Resources	2028	1,560	23,030	24,590
Early Learning and Childcare Agreement	2026	12,139	10,930	23,069
Employment and Social Development	2028	6,539	14,007	20,546
Canada-Yukon Nature Agreement	2026	9,077	6,551	15,628
Canadian Heritage	2028	6,619	1,210	7,829
Justice Canada	2027	1,643	3,286	4,929
Student Financial Assistance	2026	509	2,036	2,545
Other	2027	9,782	11,596	21,378
		<u>\$ 308,693</u>	<u>\$ 874,945</u>	<u>\$ 1,183,638</u>

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

25. **Contractual obligations**

The Government has entered into agreements for, or is contractually obligated for, the following payments subsequent to March 31, 2024:

	Expiry Date	2025	2026 – 2040	Total
		(thousands of dollars)		
Capital projects				
- in progress at March 31, 2024	2031	\$ 342,543	\$ 146,493	\$ 489,036
RCMP policing agreement	2032	38,359	268,513	306,872
Other operational commitments	2040	76,583	39,684	116,267
Yukon Hospital Corporation	2029	23,274	24,679	47,953
medical equipment maintenance				
Building/office space leases	2032	15,945	25,075	41,020
Mineral Resources and	2027	19,397	3,987	23,384
Geoscience Services				
Alkan Air Ltd. medical evacuation	2026	7,500	6,007	13,507
contract				
Information Services Corporation	2040	189	3,066	3,255
Student Transportation	2024	868	-	868
Northwestel Inc. mobile radio	2024	652	-	652
network system				-
		<u>\$ 525,310</u>	<u>\$ 517,504</u>	<u>\$1,042,814</u>

26. **Overexpenditure**

Over-expenditure of a vote contravenes subsection 17(2) of the *Financial Administration Act* (Yukon) which specifies that “a vote does not authorize any payment to be made in excess of the amount specified in the vote”. During the year, no (2023 – no) departments exceeded their votes.

The *Appropriation Acts* (Yukon) state that the Government is not to expend grant payments except in accordance with the Act. During the year, two (2023 – one) departments exceeded the authorized amounts as follows:

	(thousands of dollars)
Education	
- Post secondary student grants	\$ 680
- Childcare subsidies	\$ 45
Health and Social Services	
- Medical travel subsidies	\$ 266

# GOVERNMENT OF YUKON

## Notes to Consolidated Financial Statements March 31, 2024

### 27. Guarantees

At March 31, 2024, the YDC had long-term debt of \$225,000,000 (2023 – \$221,000,000) (Note 11(a)) and a credit facility of up to \$115,000,000 (2023 - \$72,500,000). While the Government has not issued guarantees for these instruments, as the YDC is an agent of the Government, lenders may have recourse to the Government. Except for the amounts committed as described in Note 11(d), it is expected that no significant costs will be incurred by the Government with respect to any guarantees and debts.

### 28. Risk management of financial instruments

The Government has exposure to the following risks related to its financial instruments: credit risk, liquidity risk, interest rate risk, foreign exchange rate risk, and other price risk. The Government employs various risk management strategies and operates within fixed risk exposure limits to ensure exposure to risk is managed in a prudent and cost-effective manner.

The concentration of risk arises from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Government is primarily exposed to credit risk on its cash and cash equivalents, accounts receivable, loans receivable, and investments. The Government's carrying amounts for these financial assets best represent its maximum exposure to credit risk.

For cash and cash equivalents, and portfolio investments, the Government manages this risk by dealing solely with reputable financial institutions, and through an investment policy that limits investments to high credit quality as well as maintains asset allocation and portfolio diversification.

For accounts receivable, the Government reviews balances and aging information to determine if a valuation allowance is necessary, and initiates collection actions.

Information regarding the Government's accounts receivable is as follows:

	2024	2023
	(thousands of dollars)	
Carrying value	\$ 47,685	\$ 27,121
Allowance for doubtful accounts	\$ 4,972	\$ 3,775
Accounts receivable % less than 30 days	78 %	78 %
Accounts receivable % over 90 days	16 %	19 %

To manage the credit risk on mortgages and loans receivable, the Government actively monitors loan payments and works with borrowers to develop payment plans to resolve outstanding arrears issues. The maximum exposure of the mortgages and loans receivable to credit risk is \$68,452,000 (2023 - \$67,767,000). As at March 31, 2024, approximately 95% (2023 – 97%) of loans receivable were current or less than 30 days past due, whereas 5% (2023 – 3%) were over 30 days past due.



# GOVERNMENT OF YUKON

## Notes to Consolidated Financial Statements March 31, 2024

Liquidity risk is the risk that the Government will encounter difficulty in meeting obligations associated with financial liabilities. The Government is exposed to liquidity risk on its bank advances and short-term borrowings, accounts payable and accrued liabilities, due to Government of Canada, and other borrowings.

The Government manages its overall liquidity risk by managing cash resources which is achieved by monitoring actual and forecasted cash flows from operating, investing, and financing activities. The Government manages this risk on its borrowings by distributing debt maturities over many years (Note 19).

The carrying amounts of bank advances and short-term borrowings, accounts payable and accrued liabilities, as well as due to Government of Canada, as reported on the consolidated statement of financial position will be settled in the next fiscal year.

The undiscounted contractual cash flows for borrowings are disclosed in Note 19.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate unfavourably with changes in market interest rates.

The Government is exposed to interest rate risk through its investment holdings in interest-bearing, or fixed-income assets. The Government manages this risk on its investments by setting asset mix guidelines that limit the extent to which interest rates impact the market value of the Government's portfolio investments, which may include GICs, term deposits, and funds that include short-term debt securities of Canadian Governments and corporate issuers with terms to maturity of 90 days or more but one year or less from the date of acquisition. Based on year-end short-term investment balances, a one per cent increase (decrease) in the bank's prime lending rate could increase (decrease) interest income by approximately \$24,000 (2023 - \$43,000).

The Government manages this risk on its debt by issuing securities at predominantly fixed rates of interest rather than at floating rates of interest. To reduce its exposure to interest rate risk, the Government, through its government reporting entities, uses interest rate contracts, including interest rate swap agreements, to manage the fixed and floating interest rate mix on its debt portfolio. The Government has interest rate swaps on a value of debt of \$18,804,000 (2023 - \$23,612,000). At March 31, 2024, 100 per cent (2023 – 100 per cent) of the Government's gross debt effectively carried a rate of interest that was fixed for greater than a one-year period. As such, fluctuations in market interest rates would not impact future cash flows and the operations of the Government.

The Government has access to lines of credit up to the following limits:

	2024	2023
	(thousands of dollars)	
Government of Yukon	\$ 200,000	\$ 100,000
Yukon Housing Corporation	11,000	11,000
Yukon University	1,000	1,000
	<u>\$ 212,000</u>	<u>\$ 112,000</u>

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

The Government of Yukon used its line of credit during the year and incurred interest expenses at prime rate minus 0.85% (2023 - prime rate minus 0.85%) per annum. The Yukon Housing Corporation and the Yukon University lines of credit were unused at both 2024 and 2023. The Government's credit facility interest rates are subject to fluctuations in the prime rate. The interest rate risk is minimal due to the short-term nature of amounts drawn.

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate unfavourably with a change in the value of the Canadian dollar relative to other currencies. The Government is not exposed to any significant foreign exchange risk because instruments held in foreign currency are not considered significant.

Other Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Government is exposed to other price risk through its portfolio investments; and manages these risks through maximum proportions of equities in its investment portfolio and through concentration limits on investments in any one issuer, as outlined in the investment policies and procedures.

The Government is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes. Overall, the other price risk is not considered significant.

#### 29. Land claims

Since February 1995, eleven Yukon First Nation Final and Self-government Agreements came into effect. The Government of Canada's negotiating mandate expired prior to the completion of the remaining three Yukon agreements. Settlements for these outstanding claims would not result in a general liability to the Government as they are to be funded by the Government of Canada. The Government would, however, be responsible for any financial obligations it might agree to during the negotiations.

The bilateral funding agreement with the Government of Canada that had been in place since June 24, 1993, and which provided funding towards the Government's additional implementation costs expired on March 31, 2009. However, there are no additional costs for the Government as all the existing funding commitments are captured elsewhere, either through a specific funding agreement with the Government of Canada or as a component of the base funding received by the Government. The specific implementation costs include Board and Council funding arising from the various Final Agreement Implementation Plans and other negotiated funding amounts.

## GOVERNMENT OF YUKON

### Notes to Consolidated Financial Statements March 31, 2024

#### 30. Contingencies

##### Contingent liabilities

In the normal course of operations, the Government is subject to legal claims. These claims include items with pleading amounts and items where an amount is not specified. At March 31, 2024, the amounts claimed, excluding the claim from Northern Cross (Yukon) Ltd., which is described below, is \$32,206,000 (2023 - \$32,288,000). No provision for these claims has been made as it is unlikely or indeterminable that a liability has been incurred as at the date of the financial statements. Furthermore, an estimate of extent cannot be made as at the date of the financial statements.

On April 4, 2017, Northern Cross (Yukon) Ltd. ("Northern Cross") filed a Statement of Claim in the Supreme Court of Yukon against the Government and the Minister of Energy, Mines and Resources. Northern Cross identified a number of causes of action although all of these are based upon its allegation that due to the moratorium on hydraulic fracturing Northern Cross' exploration rights in the Eagle Plains area have been adversely affected. The claim seeks up to \$2.26 billion which is comprised of \$395 million for refund of work deposits, application fees, rental amounts, sunk costs and interest and \$1.86 billion in damages for loss of opportunity of 8.6 billion barrels of oil, at fair value, identified as being in the area through a resource evaluation. On April 12, 2017, Northern Cross changed its name to Chance Oil and Gas Limited. No provision for this claim has been made as it is undeterminable that any liability exists at the date of the financial statements.

The Government established a Risk Management Revolving Fund in December 2004, with a limit of \$5,000,000, which is to be used for providing limited insurance and risk management services to Government departments. Expenses relating to some of the property and liability losses incurred by the Government are to be paid out of this fund. The Government has legal liability and property insurance with a \$2,000,000 deductible. In 2024, the Government paid \$656,000 (2023 - \$841,000) for liability claims such as bodily injury, property damage and automobile liability. The Government had unpaid claims against the fund in the amount of \$2,434,000 as at March 31, 2024 (2023 - \$3,747,000). This amount is reported as part of the Government's accrued liabilities. The fund balance at March 31, 2024 was \$2,450,000 (2023 - \$2,613,000).

In addition to the environmental liabilities discussed in Note 15, there may be other instances of contamination for which the Government may be obligated to incur remediation costs. No liability has been recognized for these instances of contamination as the future costs of remediation and the Government's obligation to incur these costs are undeterminable at the date of the financial statements.

##### Contingent assets

The Government has instituted claims against others because of disputes resulting from breaches in contracts. It may receive funds in the future from recoveries of various types of claims paid out and other agreement pending the occurrence of certain events.

GOVERNMENT OF YUKON

**Notes to Consolidated Financial Statements**  
**March 31, 2024**

31. **Subsequent Events**

On June 24, 2024 there was a major environmental incident at the Eagle Gold Mine, operated by Victoria Gold Corporation.

Subsequently, PricewaterhouseCoopers has been court-appointed receiver of the Corporation and is responsible for undertaking remediation activities at the site. Mining operations will remain suspended as the completion of the remediation is a condition precedent to any future mining activity at the site.

The Government has committed to advance \$50 million to the receiver, as a loan, to fund remediation activities. All funding advanced by the Government to the receiver is by a court-ordered priority charge. The Government estimates that the remediation may cost \$100 million to \$150 million.

Given the complexity of the environmental and associated legal issues, the Government is unable to determine the expected impacts on the Government's consolidated financial statements.

32. **Comparative figures**

Certain comparative figures for 2023 have been reclassified to conform with the 2024 presentation.

## GOVERNMENT OF YUKON

Schedule A

**Consolidated Schedule of Revenues by Source  
for the year ended March 31, 2024**

	2024		2023
	Budget	Actual	Actual
	(thousands of dollars)		
From Government of Canada			
Formula Financing Grant	\$ 1,252,161	\$ 1,252,161	\$ 1,174,144
Contributions and service agreements	312,644	292,646	313,766
Other grants	74,884	136,484	122,910
	<u>1,639,689</u>	<u>1,681,291</u>	<u>1,610,820</u>
Taxes and general revenues			
Income taxes	125,839	124,224	150,298
Other taxes			
Tobacco tax	14,628	11,077	11,612
Fuel oil tax	8,810	9,647	8,863
General property tax	6,149	7,317	5,806
Liquor tax	5,386	5,314	5,106
Insurance premium tax	9,016	8,712	8,902
Grant in lieu of property tax	253	256	240
Sale of land	32,285	16,066	8,351
Licences, permits and fees	32,813	34,746	30,498
Investment and interest revenue	4,181	12,454	9,047
Hospital revenues	8,139	2,681	2,130
Resource revenue - mineral, oil and gas and forestry	11,992	4,934	2,362
Aviation operations	1,345	1,396	1,573
Income from portfolio investments	-	1,106	980
Fines	508	614	531
Other revenues	331	4,194	2,706
	<u>261,675</u>	<u>244,738</u>	<u>249,005</u>
Funding and service agreements with other parties	<u>32,442</u>	<u>65,336</u>	<u>34,413</u>
Income (loss) from investment in government business enterprises			
Yukon Liquor Corporation	8,778	8,397	7,720
Yukon Development Corporation	2,600	3,648	8,119
	<u>11,378</u>	<u>12,045</u>	<u>15,839</u>
	<u><u>\$ 1,945,184</u></u>	<u><u>\$ 2,003,410</u></u>	<u><u>\$ 1,910,077</u></u>

## GOVERNMENT OF YUKON

Schedule B

**Consolidated Schedule of Operations by Function  
for the year ended March 31, 2024**

	Health and Social Services		Community and Transportation		Education		General Government <sup>1</sup>	
	2024	2023	2024	2023	2024	2023	2024	2023
	(thousands of dollars)							
<b>Revenues</b>								
From Government of Canada	\$ 55,272	\$ 45,317	\$ 154,209	\$ 183,541	\$ 16,962	\$ 18,748	\$ 1,409,213	\$ 1,326,306
Taxes and general revenues	7,182	6,033	50,769	38,363	7,296	5,359	169,665	191,907
Funding and service agreements	12,762	8,954	7,643	6,695	18,683	15,936	626	1,270
Income (loss) from investments in government business enterprises	-	-	3,648	8,119	-	-	8,397	7,720
	<u>75,216</u>	<u>60,304</u>	<u>216,269</u>	<u>236,718</u>	<u>42,941</u>	<u>40,043</u>	<u>1,587,901</u>	<u>1,527,203</u>
<b>Expenses (Note 22)</b>								
Personnel	270,814	244,146	85,932	87,654	170,947	156,400	131,488	134,974
Contracts, materials and other	239,058	212,053	177,584	136,076	6,719	6,632	79,745	95,556
Government transfers	127,861	108,064	109,409	146,885	66,051	51,254	41,714	36,131
Amortization expenses	17,923	15,473	42,705	38,610	7,912	7,373	6,637	7,427
Subtotal	<u>655,656</u>	<u>579,736</u>	<u>415,630</u>	<u>409,225</u>	<u>251,629</u>	<u>221,659</u>	<u>259,584</u>	<u>274,088</u>
Interest on long-term debt and capital lease obligations	<u>1,272</u>	<u>1,273</u>	<u>38</u>	<u>50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>656,928</u>	<u>581,009</u>	<u>415,668</u>	<u>409,275</u>	<u>251,629</u>	<u>221,659</u>	<u>259,584</u>	<u>274,088</u>
<b>Recovery of prior years' expenses</b>	<u>1,200</u>	<u>839</u>	<u>163</u>	<u>614</u>	<u>3,152</u>	<u>390</u>	<u>4,848</u>	<u>1,243</u>
<b>Surplus (deficit) for the year</b>	<u><b>\$ (580,512)</b></u>	<u><b>\$ (519,866)</b></u>	<u><b>\$ (199,236)</b></u>	<u><b>\$ (171,943)</b></u>	<u><b>\$ (205,536)</b></u>	<u><b>\$ (181,226)</b></u>	<u><b>\$ 1,333,165</b></u>	<u><b>\$ 1,254,358</b></u>

<sup>1</sup> Includes the legislature, tax collection and administration, Formula Financing and other grants from the federal government, liquor profits, general administration and central agency services such as building maintenance, Public Service Commission, finance and IT services to government departments and organizations.

## GOVERNMENT OF YUKON

Schedule B, continued

**Consolidated Schedule of Operations by Function  
for the year ended March 31, 2024**

	Natural Resources		Justice		Business, Tourism and Culture		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
(thousands of dollars)								
Revenues								
From Government of Canada	\$ 28,197	\$ 19,954	\$ 8,234	\$ 7,372	\$ 9,204	\$ 9,582	\$ 1,681,291	\$ 1,610,820
Taxes and general revenues	8,540	6,042	1,223	1,228	63	73	244,738	249,005
Funding and service agreements	24,017	343	1,134	746	471	469	65,336	34,413
Income (loss) from investments in government business enterprises	-	-	-	-	-	-	12,045	15,839
	60,754	26,339	10,591	9,346	9,738	10,124	2,003,410	1,910,077
Expenses (Note 22)								
Personnel	65,743	60,846	40,906	39,422	20,186	19,743	786,016	743,185
Contracts, materials and other	167,339	59,401	55,657	48,750	11,842	13,705	737,944	572,173
Government transfers	27,953	20,685	9,143	7,692	30,943	30,534	413,074	401,245
Amortization expenses	1,670	1,446	1,938	1,986	797	822	79,582	73,137
Subtotal	262,705	142,378	107,644	97,850	63,768	64,804	2,016,616	1,789,740
Interest on long-term debt and capital lease obligations	-	-	-	-	-	-	1,310	1,323
	262,705	142,378	107,644	97,850	63,768	64,804	2,017,926	1,791,063
Recovery of prior years' expenses	1,032	168	571	146	319	449	11,285	3,849
Surplus (deficit) for the year	<b>\$ (200,919)</b>	<b>\$ (115,871)</b>	<b>\$ (96,482)</b>	<b>\$ (88,358)</b>	<b>\$ (53,711)</b>	<b>\$ (54,231)</b>	<b>\$ (3,231)</b>	<b>\$ 122,863</b>

## Government of Yukon

Schedule C

**Consolidated Schedule of Tangible Capital Assets  
for the year ended March 31, 2024**

	Land	Buildings	Equipment & Vehicles	Computer Hardware & Software	Infrastructure	Land Improvements & Fixtures	Waste & Water Systems	Communications Technology	2024 Total	2023 Total
	(thousands of dollars)									
Cost of tangible capital assets, opening	\$ 19,950	\$ 1,374,402	\$ 242,694	\$ 131,297	\$ 1,322,225	\$ 70,912	\$ 81,077	\$ 63,563	\$ 3,306,120	\$ 3,031,633
Change in asset retirement obligation estimate	-	(3,533)	(81)	-	(56)	-	-	-	(3,670)	(5,331)
Acquisitions	-	82,339	19,164	6,519	131,307	2,860	444	45,229	287,862	291,067
Write-downs	-	(128)	(21)	-	-	-	-	-	(149)	(3,414)
Disposals	-	(1,270)	(3,652)	(691)	-	-	-	-	(5,613)	(7,835)
Cost of tangible assets, closing	19,950	1,451,810	258,104	137,125	1,453,476	73,772	81,521	108,792	3,584,550	3,306,120
Accumulated amortization, opening	-	546,322	136,792	77,275	503,722	17,830	22,954	5,343	1,310,238	1,244,202
Amortization expense	-	26,138	15,603	8,716	23,564	3,825	1,059	677	79,582	73,137
Disposals	-	(1,270)	(3,522)	(691)	-	-	-	-	(5,483)	(7,101)
Accumulated amortization, closing	-	571,190	148,873	85,300	527,286	21,655	24,013	6,020	1,384,337	1,310,238
Net book value (Note 21)	<b>\$ 19,950</b>	<b>\$ 880,620</b>	<b>\$ 109,231</b>	<b>\$ 51,825</b>	<b>\$ 926,190</b>	<b>\$ 52,117</b>	<b>\$ 57,508</b>	<b>\$ 102,772</b>	<b>\$ 2,200,213</b>	<b>\$ 1,995,882</b>
Asset retirement obligations <sup>(a)</sup>	\$ -	\$ 1,541	\$ 106	\$ -	\$ 335	\$ -	\$ 1,692	\$ -	\$ 3,674	\$ 6,924
Work-in-progress <sup>(a)</sup>	\$ -	\$ 122,455	\$ 9,628	\$ 18,881	\$ 310,436	\$ 15,497	\$ 13,887	\$ 97,048	\$ 587,832	\$ 429,002

<sup>(a)</sup> Included in net book value



## GOVERNMENT OF YUKON

Schedule D

**Consolidated Schedule of Post-employment Benefits and Compensated Absences  
for the year ended March 31, 2024**

	Government of Yukon Employees	Members of Yukon Legislative Assembly	Yukon Hospital Corporation	Yukon Housing Corporation	Yukon University	2024 Total	2023 Total
(thousands of dollars)							
Accrued benefit obligation							
Obligation at beginning of year	\$ 113,426	\$ 1,064	\$ -	\$ 1,884	\$ 7,721	\$ 124,095	\$ 135,524
Current service costs	10,775	149	-	187	779	11,890	13,962
Interest cost on benefit obligation	5,665	68	-	95	296	6,124	5,649
Actuarial loss (gain)	(255)	5	-	(528)	(177)	(955)	(14,823)
Benefits paid	(13,078)	-	-	(67)	(612)	(13,757)	(16,217)
Accrued benefit obligation at end of year	116,533	1,286	-	1,571	8,007	127,397	124,095
Unrecognized net actuarial gain (loss)	16,455	22	-	659	(1,160)	15,976	17,056
Accrued benefit liability	132,988	1,308	-	2,230	6,847	143,373	141,151
Liabilities that are not included in actuarial valuation	676	-	3,369	-	3,478	7,523	7,726
Post-employment benefits and compensated absences (Note 17)	133,664	1,308	3,369	2,230	10,325	150,896	148,877
Net benefit cost							
Current service cost	\$ 10,775	\$ 149	\$ -	\$ 187	\$ 779	\$ 11,890	\$ 13,962
Interest cost on benefit obligation	5,665	68	-	95	296	6,124	5,649
Past service costs	-	-	-	(421)	-	(421)	(18)
Amortization of net actuarial loss (gain)	(1,308)	(13)	-	(61)	(178)	(1,560)	(389)
Net cost for the year	\$ 15,132	\$ 204	\$ -	\$ (200)	\$ 897	\$ 16,033	\$ 19,204

GOVERNMENT OF YUKON

**Consolidated Schedule of Post-employment Benefits and Compensated Absences  
for the year ended March 31, 2024**

Schedule D  
Continued

	Government of Yukon Employees	Members of Yukon Legislative Assembly	Yukon Hospital Corporation	Yukon Housing Corporation	Yukon University
<b>2023-24 Key Assumptions</b>					
Discount rate on benefit costs	4.80%	6.00%	N/A	4.90%	4.80%
Discount rate on accrued benefit obligation at end of year	4.90%	5.70%	N/A	4.90%	4.85%
Inflation rate at end of year	2.00%	2.00%	N/A	2.00%	2.00%
Rate of compensation increase	see below <sup>1</sup>	2.50%	N/A	see below <sup>1</sup>	3.40%
Amortization period (expected average remaining service life)	13.0 years	2.0 years	N/A	11.8 years	10.0 years
<b>2022-23 Key Assumptions</b>					
Discount rate on benefit costs	4.00%	5.30%	N/A	4.00%	3.80%
Discount rate on accrued benefit obligation at end of year	4.80%	6.00%	N/A	4.80%	4.80%
Inflation rate at end of year	2.00%	2.00%	N/A	2.00%	2.00%
Rate of compensation increase	see below <sup>1</sup>	2.50%	N/A	see below <sup>1</sup>	see below <sup>2</sup>
Amortization period (expected average remaining service life)	13.0 years	3.0 years	N/A	11.8 years	10.0 years

<sup>1</sup>Based on the annual rates from the Public Service Pension Plan ("PSPP") March 31, 2020 valuation report.

<sup>1</sup>Based on the annual rates from the Public Service Pension Plan ("PSPP") March 31, 2020 valuation report.

<sup>2</sup>Group 1: 3.00% and Group 2:3.40%

## GOVERNMENT OF YUKON

Schedule E

**Consolidated Schedule of Retirement Benefits  
for the year ended March 31, 2024**

	Extended Health Care Retirement Benefit	Legislative Assembly Retirement Allowances Plan	Life Insurance Retirement Benefit	Territorial Court Judiciary Pension Plan	Yukon Hospital Corporation Employees' Pension Plan	Yukon University Employees' Pension Plan	2024 Total	2023 Total
(thousands of dollars)								
Pension and retirement plan assets are valued at fair value.								
Accrued benefit obligation								
Obligation at beginning of year	\$ 55,075	\$ 34,208	\$ 3,588	\$ 13,244	\$ 111,847	\$ 92,682	\$ 310,644	\$ 327,925
Current service costs	2,266	1,578	38	526	4,688	4,620	13,716	14,983
Interest cost on benefit obligation	2,715	2,047	173	765	7,504	5,603	18,807	17,619
Actuarial loss (gain)	24,507	1,255	(18)	422	4,927	931	32,024	(31,394)
Benefits paid	(1,658)	(1,754)	(121)	(621)	(6,029)	(6,944)	(17,127)	(17,851)
Administration expenses	-	-	-	-	-	(817)	(817)	(637)
Accrued benefit obligation at end of year	82,905	37,334	3,660	14,336	122,937	96,075	357,247	310,645
Plan assets - valued at fair value								
Value at beginning of year	-	11,262	-	4,725	173,606	138,026	327,619	329,061
Actual return on plan assets	-	893	-	293	22,407	14,574	38,167	(1,407)
Employer contributions	-	342	-	465	5,860	2,100	8,767	12,418
Member contributions	-	186	-	65	2,605	2,090	4,946	5,129
Benefits paid	-	(369)	-	(621)	(6,029)	(6,944)	(13,963)	(16,597)
Actual plan expenses	-	-	-	-	(252)	(817)	(1,069)	(985)
Value at end of year	-	12,314	-	4,927	198,197	149,029	364,467	327,619
Funded status - plan deficit (surplus)	82,905	25,020	3,660	9,409	(75,260)	(52,954)	(7,220)	(16,975)
Unrecognized net actuarial gain (loss)	(2,054)	4,035	455	(133)	5,761	19,051	27,115	47,973
Accrued benefit liability (asset) (Note 18)	\$ 80,851	\$ 29,055	\$ 4,115	\$ 9,276	\$ (69,499)	\$ (33,903)	\$ 19,895	\$ 30,998
Net benefit cost								
Current service cost	\$ 2,266	\$ 1,578	\$ 38	\$ 526	\$ 5,087	\$ 4,620	\$ 14,115	\$ 15,338
Less: Member contributions	-	(186)	-	(65)	(2,605)	(2,090)	(4,946)	(5,129)
Interest cost on benefit obligation	2,715	2,047	173	765	(4,288)	5,603	7,015	7,211
Expected return on plan assets	-	(680)	-	(267)	-	(8,379)	(9,326)	(8,862)
Amortization of net actuarial loss (gain)	(1,488)	(2,537)	(3)	(1,355)	1,293	(1,939)	(6,029)	(4,209)
Net cost for the year	\$ 3,493	\$ 222	\$ 208	\$ (396)	\$ (513)	\$ (2,185)	\$ 829	\$ 4,349

## GOVERNMENT OF YUKON

**Consolidated Schedule of Retirement Benefits  
for the year ended March 31, 2024**

Schedule E  
Continued

	Extended Health Care Retirement Benefit	Legislative Assembly Retirement Allowances Plan	Life Insurance Retirement Benefit	Territorial Court Judiciary Pension Plan	Yukon Hospital Corporation Employees' Pension Plan	Yukon University Employees' Pension Plan
<b>2023-24 Key Assumptions</b>						
Expected long term rate of return on assets at beginning of year	N/A	5.70%	N/A	5.40%	6.75%	6.15%
Discount rate on benefit costs	4.80%	6.00%	4.80%	5.70%	6.00%	6.15%
Discount rate on accrued benefit obligation at end of year	4.90%	5.70%	4.90%	5.40%	6.75%	6.15%
Inflation rate at end of year	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate of compensation increase	see below <sup>1</sup>	2.50%	see below <sup>1</sup>	3.00%	2.50%	3.40%
Health care cost trend rate	see below <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
Amortization period (expected average remaining service life)	13.0 years	2.0 years	9.5 years	2.6 years	9.2 years	10.0 years

<sup>1</sup> Based on the annual rates from the Public Service Pension Plan ("PSPP") March 31, 2020 valuation report.

<sup>2</sup> 5.7% per annum for 2024-25, decreasing linearly to 4.9% in 2029, and following the McMaster Model to an ultimate trend rate of 4.0% in 2040.

<b>2022-23 Key Assumptions</b>						
Expected long term rate of return on assets at beginning of year	N/A	5.30%	N/A	5.00%	6.00%	6.15%
Discount rate on benefit costs	4.80%	6.00%	4.80%	5.70%	6.00%	6.15%
Discount rate on accrued benefit obligation at end of year	4.80%	6.00%	4.80%	5.70%	6.00%	6.15%
Inflation rate at end of year	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate of compensation increase	see below <sup>1</sup>	2.50%	see below <sup>1</sup>	3.00%	2.50%	see below <sup>3</sup>
Health care cost trend rate	see below <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
Amortization period (expected average remaining service life)	13.0 years	4.0 years	9.5 years	1.4 years	9.2 years	10.0 years

<sup>1</sup> Based on the annual rates from the Public Service Pension Plan ("PSPP") March 31, 2020 valuation report.

<sup>2</sup> 5.9% per annum for 2023-2024, decreasing linearly to 4.9% in 2029, and following the McMaster Model to an ultimate trend rate of 4.0% in 2040.

<sup>3</sup> Group 1: 3.00% and Group 2: 3.40%

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PART THREE  
NON-CONSOLIDATED FINANCIAL STATEMENTS  
AND OTHER INFORMATION

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SECTION I  
GOVERNMENT OF YUKON  
FINANCIAL STATEMENTS  
(unaudited)



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GOVERNMENT OF YUKON

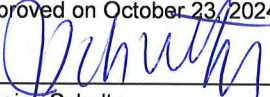
**Non-Consolidated Statement of Financial Position  
as at March 31, 2024**

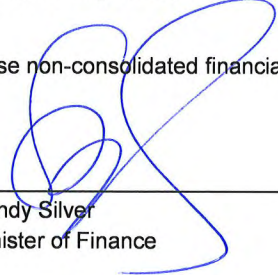
	2024	2023
	(thousands of dollars)	
<b>Financial assets</b>		
Cash and cash equivalents (Note 4)	\$ 1,017	\$ 65,431
Due from Government of Canada (Note 5)	142,962	173,124
Accounts receivable (Note 6)	42,417	23,746
Portfolio investments (Note 7)	38,682	36,175
Advances to Territorial corporations (Note 9)	60,599	60,374
Loans receivable (Note 10)	43,788	41,511
Inventories for resale (Note 11)	84,659	77,545
	<u>414,123</u>	<u>477,906</u>
<b>Liabilities</b>		
Bank advances and short-term borrowings (Note 12)	105,063	-
Due to Government of Canada (Note 5)	40,670	41,262
Accounts payable and accrued liabilities (Note 13)	232,686	258,134
Unearned revenues (Note 14)	33,325	30,193
Environmental liabilities (Note 15)	189,188	91,873
Asset retirement obligation liabilities (Note 16)	50,103	58,193
Post-employment benefits and compensated absences (Note 17)	134,972	132,664
Retirement benefits (Note 18)	123,297	123,742
Liabilities for leased tangible capital assets (Note 19)	362	835
	<u>909,666</u>	<u>736,895</u>
<b>Net financial debt</b>	<u><b>(495,543)</b></u>	<u><b>(258,989)</b></u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 20)	1,903,061	1,708,618
Inventories of supplies	11,141	10,097
Prepaid expenses	3,249	3,257
	<u>1,917,451</u>	<u>1,721,972</u>
<b>Accumulated surplus</b>	<u><b>\$ 1,421,908</b></u>	<u><b>\$ 1,462,983</b></u>
Accumulated surplus (deficit) is comprised of:		
Accumulated operating surplus	1,419,734	1,462,384
Accumulated remeasurement gains and (losses)	2,174	599
	<u><b>\$ 1,421,908</b></u>	<u><b>\$ 1,462,983</b></u>

Contractual rights, contractual obligations, commitments, guarantees, contingencies, and subsequent events  
(Notes 15, 16, 23, 24, 25, 27, 30 and 31)

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

Approved on October 23, 2024:

  
Jessica Schultz  
Deputy Minister of Finance

  
Sandy Silver  
Minister of Finance

GOVERNMENT OF YUKON

**Non-Consolidated Statement of Operations and Accumulated Operating Surplus  
for the year ended March 31, 2024**

	2024		2023
	Main Estimates (Note 1(b))	Actual	Actual
	(thousands of dollars)		
Revenues (Schedule A)			
From Government of Canada			
Formula financing grant	\$ 1,252,161	\$ 1,252,161	\$ 1,174,144
Contributions and service agreements	270,594	280,889	305,132
Other grants	74,884	136,484	122,910
Taxes and general revenues	248,396	233,761	241,188
Funding and service agreements	24,836	48,444	18,240
	<u>1,870,871</u>	<u>1,951,739</u>	<u>1,861,614</u>
Expenses (Note 21 and Schedule B)	<u>1,822,632</u>	<u>2,005,675</u>	<u>1,760,470</u>
Recovery of prior years' expenses	<u>-</u>	<u>11,285</u>	<u>3,849</u>
Surplus (deficit) for the year	\$ 48,239	(42,650)	\$ 104,993
Accumulated operating surplus at beginning of year		1,462,384	1,357,391
Accumulated operating surplus at end of year		<u><u>\$ 1,419,734</u></u>	<u><u>\$ 1,462,384</u></u>

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

GOVERNMENT OF YUKON

**Non-Consolidated Statement of Remeasurement Gains and Losses  
for the year ended March 31, 2024**

	2024	2023
	(thousands of dollars)	
	Actual	Actual
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	<b>\$ 599</b>	<b>\$ 898</b>
Unrealized gains (losses) attributable to:		
Portfolio investments	4,396	371
Amounts reclassified to the statement of operations and accumulated operating surplus (deficit):		
Portfolio investments	(2,821)	(670)
<b>Net remeasurement gains (losses) for the year</b>	<b>1,575</b>	<b>(299)</b>
<b>Accumulated remeasurement gains (losses) at year end</b>	<b>\$ 2,174</b>	<b>\$ 599</b>

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

GOVERNMENT OF YUKON

**Non-Consolidated Statement of Change in Net Financial Debt  
for the year ended March 31, 2024**

	2024		2023
	Main Estimates (Note 1(b))	Actual	Actual
	(thousands of dollars)		
Surplus (deficit) for the year	\$ 48,239	\$ (42,650)	\$ 104,993
Effect of change in tangible capital assets			
Acquisitions	(192,428)	(260,542)	(272,535)
Amortization of tangible capital assets	67,579	62,790	58,203
Loss (gain) on disposal of tangible capital assets	70	98	512
Proceeds on disposal of tangible capital assets	210	-	-
Change in asset retirement obligation estimate	-	3,137	5,331
Write-down of tangible capital assets	-	74	2,804
	<u>(124,569)</u>	<u>(194,443)</u>	<u>(205,685)</u>
Effect of change in other non-financial assets			
Acquisition of inventories of supplies	-	(12,824)	(12,522)
Consumption of inventories of supplies	-	11,780	9,093
Decrease (increase) in prepaid expenses	-	8	(390)
	<u>-</u>	<u>(1,036)</u>	<u>(3,819)</u>
Net remeasurement gains (losses)		<u>1,575</u>	<u>599</u>
Decrease in net financial assets and increase in net financial debt	\$ (76,330)	\$ (236,554)	\$ (103,912)
Net financial debt at beginning of year		<u>(258,989)</u>	<u>(155,077)</u>
Net financial debt at end of year		<u><u>\$ (495,543)</u></u>	<u><u>\$ (258,989)</u></u>

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

GOVERNMENT OF YUKON

**Non-Consolidated Statement of Cash Flow  
for the year ended March 31, 2024**

	2024	2023
	(thousands of dollars)	
<b>Operating transactions</b>		
Surplus (deficit) for the year	\$ (42,650)	\$ 104,993
Non-cash items included in surplus (deficit) for the year:		
Amortization of tangible capital assets	62,790	58,203
Loans receivable valuation adjustment	285	108
Accretion expense	1,665	1,587
Write-down of tangible capital assets	74	2,804
Loss (gain) on sale of land inventory	(6)	(15)
Loss (gain) on disposal of tangible capital assets	98	512
Net change in accounts payable and accrued liabilities balances	(42,856)	48,392
Net change in environmental liabilities	97,315	7,745
Net change in other operating asset and liability balances	13,747	25,668
Cash provided by (used for) operating transactions	90,462	249,997
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(248,961)	(260,258)
Cash provided by (used for) capital transactions	(248,961)	(260,258)
<b>Investing transactions</b>		
Net proceeds from (acquisition of) portfolio investments	(610)	(672)
Repayment of advances from Territorial corporations	250	2,250
Advances to Territorial corporations	(475)	5,476
Repayment of loans receivable	15,887	17,088
Issuance of loans receivable	(2,383)	(2,155)
Investment in inventories held for resale	(23,174)	(17,918)
Cash provided by (used for) investing transactions	(10,505)	4,069
<b>Financing transactions</b>		
Repayment of liabilities for leased tangible capital assets	(473)	(1,148)
Cash provided by (used for) financing transactions	(473)	(1,148)
<b>Cash increase (decrease)</b>	<b>(169,477)</b>	<b>(7,340)</b>
Cash and cash equivalents, beginning of year	65,431	72,771
<b>(Bank indebtedness) cash and cash equivalents, end of year</b>	<b>\$ (104,046)</b>	<b>\$ 65,431</b>
Represented by:		
Cash and cash equivalents (Note 4)	\$ 1,017	\$ 65,431
Bank advances and short-term borrowings (Note 12)	(105,063)	-
<b>Total</b>	<b>\$ (104,046)</b>	<b>\$ 65,431</b>
Interest received in the year	\$ 8,080	\$ 7,588
Interest paid in the year	\$ 2,319	\$ 110

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

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### 1. Authority and operations

##### (a) Authority

The Government of Yukon ("the Government") operates under the authority of the *Yukon Act* (Canada). All disbursements for operations and loans are authorized by the Yukon Legislative Assembly.

##### (b) Main Estimates

The Main Estimates figures are from the Main Estimates approved in the Legislative Assembly in April 2023. These figures do not reflect changes arising from Special Warrants issued or any Supplementary Estimates approved later in the year by the Yukon Legislative Assembly. Certain schedules provide comparisons to Revised Estimates which incorporate these changes.

##### (c) Investments

The *Financial Administration Act* (Yukon) allows the Government to invest money from the Consolidated Revenue Fund in the following investments:

- securities that are obligations of, or guaranteed by, the Government of Canada or a province;
- fixed deposits, notes, certificates, and other short-term paper of, or guaranteed by, a bank including swapped deposit transactions in the currency of the United States of America;
- commercial paper issued by a company incorporated under the laws of the Government of Canada or a province, the securities of which are rated in the highest rating category by at least two recognized security rating institutions.

##### (d) Basis of accounting

These financial statements are prepared on a non-consolidated basis for the purpose of determining the financial position and annual results of the Government of Yukon departments. The *Taxpayer Protection Act* (Yukon) requires that the accounting policies of the Government, which are used to prepare its non-consolidated financial statements, must conform to the recommendations of the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, except with respect to consolidation.

The Government also prepares a set of consolidated financial statements in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### 2. Significant accounting policies

##### Revenues

Revenues are recorded on an accrual basis.

Grants from the Government of Canada are recognized as revenues when entitlement for the transfer occurs. The Government receives a Formula Financing grant and the Canada health and the Canada social transfers from the Government of Canada in accordance with the *Federal-Provincial Fiscal Arrangements Act* (Canada) which expires on March 31, 2029. The Formula Financing grant is principle-based, and the Canada health transfer and the Canada social transfer are simple equal cash per capita grants. Adjustments for health and social transfers are made in the year they are known.

Government transfers are recognized as revenue when the funding is authorized and any eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as unearned revenue when transfer stipulations give rise to a liability. Transfer revenues are recognized as the stipulation liabilities are settled.

Income taxes, levied under the *Income Tax Act* (Yukon), are collected by the Government of Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on the Government of Canada's Department of Finance's best estimates for the taxation year, which are periodically adjusted until the income tax assessments for the year are final. The Government recognizes income tax revenues based on the estimates made by the Government of Canada, adjusted for known factors. Any adjustments upon finalization are reflected in the accounts in the year they are identified. Tax concessions are accrued on the same basis as the associated tax revenues and reduce gross taxation revenue.

Fuel and tobacco taxes are levied under the authority of the *Fuel Oil Tax Act* (Yukon) and the *Tobacco Tax Act* (Yukon). Revenues are recognized based on the statements received from collectors and estimates. Adjustments from reassessments are recorded in revenue in the year they are identified.

Proceeds from funding and service agreements with other parties are recognized as revenue as they are determined to be earned based on the terms and conditions of the agreements and in compliance with relevant accounting standards. These determinations occur on an agreement-by-agreement basis due to the diverse nature of each individual agreement.

Revenue for permits and licenses issued by the Government are recognized at a point in time, when they are issued, if they provide a right or access to an activity with no ongoing performance obligations for the Government. Revenues for permits and licenses that grant access rights for a finite number of instances or a fixed period of time with an ongoing performance obligation are recognized over a period of time as the access rights are used.

Resource revenues are received in the form of fees for access, as well as resource royalties for resource extraction. Resource access rights have ongoing performance obligations to grant access, therefore revenues are recognized over time as the access term elapses. Resource royalties are recognized at a point in time when the terms and conditions for the royalties are met.

Land sale revenue has a performance obligation and is satisfied through sale of government land. Land sale revenue is recognized at a point in time when all sale conditions are met, and the transaction is closed with transfer of title to the buyer.



## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

Revenues for leases and lease-like arrangements have a performance obligation to provide access to the leased asset. The revenues are recognized over the term of the lease in accordance with the applicable lease terms.

There are no significant revenues from non-recurring activities presented in these non-consolidated financial statements.

#### **Expenses**

Expenses are recorded on an accrual basis. Transfer payments are recorded as expenses when authorized and recipients have met eligibility criteria.

Recovery of prior years' expenses includes reversal of amounts accrued in prior years which are in excess of actual expenses. These amounts cannot be used to increase the amount appropriated for the current year.

#### **Assets**

##### Financial assets

Cash and cash equivalents include cash on hand, balances with banks, and short-term investments that have terms to maturity of less than 90 days from the dates of acquisition.

Portfolio investments include investments such as treasury bills, GICs, term deposits; short-term debt securities of Canadian governments and corporate issuers with terms to maturity of 90 days or more but one year or less from the date of acquisition; bonds and equities. Portfolio investments are measured at their fair value.

Advances to Territorial corporations are funds provided by the Government to its government-owned entities to support their operations or projects, typically recorded as assets until repaid or settled.

Loan receivables are stated at the lower of principal amounts and net recoverable value. Valuation allowances, which are recorded to reduce loans receivable to their net recoverable amount, are based on historical experience, current conditions and all circumstances known at the date of the preparation of the financial statements. The loan receivable is reduced by the amount of a loss when the amount is known with sufficient precision, and there is no realistic prospect of recovery. Interest revenue is recognized on an accrual basis until such time that the collectability of either principal or interest is not reasonably assured.

Inventories for resale include land that has been developed by the Government. Land is comprised of the costs of acquiring, planning, and developing lots. The lots are valued at cost, except, when there has been a loss in value that is other than a temporary decline, in which case the lots are written down to net recoverable value to recognize the loss.

##### Non-financial assets

Non-financial assets are assets that do not normally provide resources to discharge existing liabilities, but instead are normally used to deliver future government services or may be consumed in the normal course of operations. Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

Tangible capital assets are buildings, roads, equipment, and other items, whose useful life extends beyond the fiscal year and are intended to be used on an ongoing basis for delivering services. These assets are recorded at cost, or fair value if donated. For certain tangible capital assets that have previously been transferred from the Government of Canada or where the original costs are not readily available, estimated costs have been extrapolated back in time in a systematic and rational manner to approximate the appropriate transfer value of the assets at the time of transfer. Costs include all costs directly attributable to acquisition, construction, development, betterment and retirement of tangible capital assets. Interest costs on loans that are directly attributable to the acquisition of tangible capital assets are capitalized.

The value of works of art, historical treasures, all intangibles and items inherited by right of the Crown, such as Crown lands, forests, water, and mineral resources are not recorded as tangible capital assets. Historical treasures and works of art are expensed when they are acquired.

Tangible capital assets that are held and available for use by the Government are generally amortized on a straight-line basis over their estimated useful life of the asset as follows:

<u>Asset category</u>	<u>Estimated useful life</u>
Land	Indefinite
Buildings	
Buildings	50-100 years
Leasehold Improvements	Lease term
Portable classroom/housing trailers	10-40 years
Equipment and vehicles	
Heavy equipment	7-30 years
Operating equipment	5-25 years
Vehicles	6-20 years
Computer hardware and software	
Computer hardware	3-7 years
Computer software	3-20 years
Infrastructure	
Transportation infrastructure <sup>1</sup>	5-75 years
Forestry access roads	5-10 years
Resource access roads	Life of Mine
Land improvements and fixtures	5-50 years
Waste and water systems	
Landfills	25-80 years
Sewage and water systems	5-50 years
Communications technology	
Mobile radio system infrastructure	5-20 years
Network transmission systems	20-40 years

Tangible capital assets under construction or development are reported as work-in-progress with no amortization until the asset is placed in service.

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<sup>1</sup> Includes Highways, Surfaces, Bridges and Airport runways

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### Other non-financial assets

Inventories of supplies consist primarily of fuel and lubricants, repair parts, stationery and office supplies, and highway materials that are tracked through revolving funds. Inventories are valued at the lower of cost and replacement value. These assets are not held for sale and are intended to be used in providing government services. Other materials and supplies are expensed at the time of acquisition.

Prepaid expenses consist primarily of licences, permits or operating leases with a life longer than the fiscal year and are expensed over the life of the underlying agreements.

#### Liabilities

Bank advances and short-term borrowings have initial maturities of one year or less.

Unearned revenues are cash received for which goods and services have not been provided by year-end and are primarily comprised of transfer payments from the Government of Canada, which have associated stipulations that gave rise to a liability as of year-end.

Liabilities for leased tangible capital assets are recorded at the present value of the minimum lease payments, excluding the portion relating to executory costs. A corresponding asset is recorded at the lower of the present value of the minimum lease payments, excluding the portion relating to executory costs, and the fair value of the asset. The present value is based on the Government's borrowing rate, over a similar term length as the related lease terms, at the time the obligation is incurred.

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is considered likely to occur and is quantifiable, an estimated liability is accrued. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed.

#### Post-employment benefits and compensated absences

Post-employment benefits are expected to be provided after employment but before retirement to employees. These benefits include severance benefits, accumulated sick and vacation leave benefits that are paid in cash when employment is terminated. Compensated absences are benefits such as sick leave, vacation leave, special leave and education leave that are paid to employees during their employment. The Government recognizes the obligation for these benefits as a liability and uses actuaries to estimate the amount of the obligation based on the projected benefit method prorated on service. Expenses related to post-employment benefits and compensated absences are recognized in the period in which the employee's service is rendered and the benefits are earned. The accrued benefit liability for these benefits is calculated as the accrued benefit obligation adjusted by unamortized actuarial gains or losses.

#### Retirement benefits

The Government's employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government's contributions are expensed during the year in which the services are rendered and represent its total pension obligation. The Government is not currently required to make contributions with respect to any actuarial deficiencies of the pension plan.

Other retirement benefits for Government employees include extended health care for retired employees who choose to participate in the plan and a life insurance plan for retirees who meet certain criteria. They are both non-pension defined benefit plans. Liabilities for these benefits are triennially valued on an actuarial basis using the projected benefit method prorated on service, with an actuarial valuation for accounting

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

purposes updated annually. Non-pension retirement benefit expenses for these plans are recognized as the member renders service. Actuarial gains and losses are amortized on straight-line basis over the estimated average remaining service lives of the participants. Both extended health care and life insurance retirement benefits are not funded and thus have no plan assets, resulting in a plan deficit equal to the accrued benefit obligation.

Retirement benefits to Members of the Legislative Assembly and territorial court judges are defined benefit plans and are valued on an actuarial basis. Actuarial valuations of these benefits are performed triennially using the projected benefit method prorated on service, with an actuarial valuation for accounting purposes updated annually. Pension expenses for these plans are recognized as the member renders services. Actuarial gains and losses are amortized on a straight-line basis over the estimated average remaining service lives of the participants. The accrued benefit liability for these plans is calculated as the accrued benefit obligation less plan assets, if any, adjusted by unamortized actuarial gains or losses. Plan assets are valued at fair market value.

#### Environmental liabilities

Contaminated sites and other environmental liabilities, which include abandoned mines and Type II sites, are accrued and an expense recorded based on management's best estimates when the contamination occurs, when the Government becomes aware of the contamination and when the Government is obligated to incur such costs. If the likelihood of the Government's obligation to incur these costs is not determinable, the contingency is disclosed in the notes to the financial statements.

#### Asset retirement obligation liabilities

An asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) The past transaction or event giving rise to the liability has occurred;
- (iii) It is expected that future economic benefits will be given up; and
- (iv) A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities. The estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. The discount rate used reflects the Government's cost of borrowing, associated with the estimated number of years to complete the retirement or remediation.

If the tangible capital asset is in productive use, the estimated obligation is recorded as a liability and increase to the related tangible capital asset. The capitalized asset retirement cost is amortized on the same basis as the related tangible capital asset and recorded in amortization expense. If the tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

The liability is adjusted annually for accretion due to the passage of time over the expected term to settlement of the obligation based on the applicable discount rate. Accretion is recorded as an expense.

The carrying value of the liability is reviewed at each financial reporting date. Any changes in the amount or timing of the underlying future cash flows or any other new information impacting the estimate are recognized as a change in estimate in the period the new information is identified and accounted for prospectively. The Government continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### Other

##### Financial Instruments

Financial instruments are contracts that give rise to the financial assets of one entity and financial liabilities or equity instruments of another entity. Financial instruments are measured at fair value or cost/amortized cost. Fair value measurement will apply to portfolio investments in equity instruments that are quoted in an active market. Also, when groups of financial assets and financial liabilities are managed on a fair value basis they may be reported on that basis. Other financial assets and financial liabilities will generally be measured at cost or amortized cost. Until an item is derecognized, gains and losses arising due to fair value remeasurement will be reported in the statement of remeasurement gains and losses. The following is a list of the Government's financial instruments and their related measurement basis as at March 31, 2024:

<b>Financial Assets:</b>	<b>Measurement Basis</b>
Cash and cash equivalents	Cost
Due from Government of Canada	Cost
Accounts receivable	Cost
Portfolio investments	Fair value
Advances to territorial corporations	Amortized cost
Loans receivable	Amortized cost

<b>Financial Liabilities:</b>	<b>Measurement Basis</b>
Bank advances and short-term borrowings	Cost
Due to Government of Canada	Cost
Accounts payable and accrued liabilities	Cost

##### Fair Value Measurement

The determination of fair value requires judgment and is based on market information where available and appropriate. Fair value measurements are categorized, based on the nature of the inputs used, into one of three levels within a fair value hierarchy as follows:

Level 1 - Fair value is based on quoted market prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted market prices for similar (but not identical) assets or liabilities in active markets, quoted market prices for identical assets or liabilities in markets that are not active, and other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on non-observable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

For financial instruments measured at cost or amortized cost, transaction costs are a component of the cost of the financial instruments and gains and losses are recognized in the statement of operations and accumulated operating surplus. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Foreign currency transactions are translated at the exchange rate in effect at the transaction date.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant although, at the time of preparation of these financial statements, the Government believes the estimates and assumptions to be reasonable.

Some of the more significant management estimates relate to post-employment and retirement benefits, environmental liabilities, asset retirement obligations, amortization of tangible capital assets, corporate and personal income tax revenue, and contingencies.

The provision for environmental liabilities is subject to a high degree of measurement uncertainty because the existence and extent of contamination, the responsibility for, and the timing and cost of remediation activities are complex and subjective. The estimates require a high degree of management judgement. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined.

The provision for asset retirement obligations is subject to a high degree of measurement uncertainty because determining the timing and cost of retirement activities are complex and subjective. The estimates require a high degree of management judgement. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined.

### 3. Adoption of accounting standards

The following Public Sector Accounting Standards came into effect for fiscal periods beginning on or after April 1, 2023:

#### PS 3160 – Public Private Partnerships

The Government adopted Canadian Public Sector Accounting Standard PS 3160 Public Private Partnerships (“PS 3160”) on April 1, 2023. This new accounting standard establishes standards for the recognition, measurement and classification of infrastructure procured through certain types of a public private partnership arrangements. The Government has assessed that there is no impact of adopting PS 3160 on its 2023-24 non-consolidated financial statements.

#### PS 3400 – Revenue

On April 1, 2023, the Government adopted Canadian Public Sector Accounting Standard PS 3400, Revenue (“PS 3400”). The standard was adopted prospectively from date of adoption. The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and the measurement, presentation, and disclosure of revenue transactions. Revenues that have performance obligations (exchange transactions) are recognized at a point in time or over a period of time based on when the performance obligations are met, while revenues that do not have performance obligations (non-exchange transactions) are recognized at a point in time, when the transaction occurs. The impact of changes in the accounting policies are reflected in the 2023-24 financial statements (Note 14).

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

4. **Cash and cash equivalents**

	2024	2023
	(thousands of dollars)	
Bank balances	\$ 968	\$ 65,379
Cash on hand	49	52
	<u>\$ 1,017</u>	<u>\$ 65,431</u>

5. **Due from/to Government of Canada**

	2024	2023
	(thousands of dollars)	
Due from Government of Canada		
Cost-sharing agreements and projects delivered on behalf of the Government of Canada	\$ 136,562	\$ 145,162
Income tax	6,397	3,905
GST Receivable	-	17,054
Other	3	7,003
	<u>\$ 142,962</u>	<u>\$ 173,124</u>
Due to Government of Canada		
RCMP	\$ 15,233	\$ 11,304
Public Service Pension Plan contribution	9,866	8,610
Payroll taxes	7,356	13,309
Program funding liable for claw back	3,081	3,534
Type II mine sites	1,033	996
Other	4,101	3,509
	<u>\$ 40,670</u>	<u>\$ 41,262</u>

Amounts due from and due to the Government of Canada are payable on demand and are non-interest bearing. The carrying amounts approximate fair values because of their short term to maturity.

6. **Accounts receivable**

	2024	2023
	(thousands of dollars)	
Taxes, interest and other revenue receivables	\$ 38,813	\$ 21,021
Less: valuation allowances	<u>(3,599)</u>	<u>(2,518)</u>
	35,214	18,503
Due from Territorial corporations	<u>7,203</u>	<u>5,242</u>
	<u>\$ 42,417</u>	<u>\$ 23,745</u>

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

7. **Portfolio investments**

The classification of investments by level within the valuation hierarchy is as follows:

	Quoted prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total 2024	Total 2023
		(thousands of dollars)			
Short-term investments	\$ -	\$ 2,420	\$ -	\$ 2,420	\$ 4,309
Bonds	-	5,906	-	5,906	6,252
Mortgages	-	4,047	-	4,047	3,810
Equities	-	26,309	-	26,309	21,804
Investments at fair value	<u>\$ -</u>	<u>\$ 38,682</u>	<u>\$ -</u>	<u>\$38,682</u>	<u>\$ 36,175</u>

Portfolio investments include designated investments set aside within the Consolidated Revenue Fund (Note 8). The investments are managed by a third party.

8. **Designated assets**

The Government has designated a portion of its assets for the purpose of meeting the obligations under Part 3 (Supplemental Plan) of the *Legislative Assembly Retirement Allowances Act* (Yukon) as well as the "Severance allowance" section of the *Legislative Assembly Act* (Yukon).

Designated assets of \$38,682,000 (2023 - \$36,175,000) are included in portfolio investments (Note 7).

9. **Advances to Territorial corporations**

	2024	2023
	(thousands of dollars)	
Yukon Development Corporation		
Infrastructure loan	\$ 34,200	\$ 34,200
Yukon Housing Corporation		
Working capital advances	26,399	26,174
	<u>\$ 60,599</u>	<u>\$ 60,374</u>

In 2018 the Government advanced \$39,200,000 to the Yukon Development Corporation ("YDC") for the development of the Whitehorse diesel – natural gas conversion project, which was completed by the Yukon Energy Corporation, YDC's wholly owned subsidiary. The term of the loan is to March 31, 2028, and pursuant to the agreement, the loan may be extended for additional five-year terms upon mutual consent of the parties. The per annum interest rate is based off the one-year indicative swap rate plus a 0.4% premium increase. The rate of interest effective on March 31, 2024, is 5.15% (2023 – 2.82%). The loan agreement requires principal repayments of \$1 million on March 31 each year and full repayment of any principal



GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

outstanding at the end of each loan term if the loan is not extended. The payment due March 31, 2024 from YDC was received in April 2024.

The working capital advances to the Yukon Housing Corporation are interest free and have various repayment terms.

10. **Loans receivable**

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Agreements for sale of land, due in varying annual amounts over a three- or five-year term to the year 2029 (2023 – 2028), bearing interest at 5.00% to 7.75% (2023 – 5.00% to 7.00%).	\$ 23,075	\$ 19,073
Local improvement loans, due in varying annual amounts to the year 2040 (2023 – 2040), bearing interest rates ranging from 0.00% to 5.25% (2023 – 0.50% to 5.25%).	8,948	9,222
Domestic well loans, due in varying annual amounts to the year 2038 (2023 – 2037), bearing interest rates ranging from 0.50% to 5.25% (2023 – 0.50% to 4.50%).	5,772	5,764
Regional Relief and Recovery Fund loans providing assistance to businesses to recover from COVID-19 pandemic, due with forgivable terms, bearing interest rates ranging from 0.00% to 5.00%.	437	2,193
Due from Yukon Hospital Corporation for pension plan solvency loan, due as one payment in the year 2035, bearing interest at 3.95%.	3,063	3,063
Debenture loans to municipalities, due in varying annual amounts to the year 2038 (2023 – 2034), bearing interest rates ranging from 2.72% to 6.38% (2023 – 2.72% to 6.38%).	2,379	2,051
Due from Yukon Housing Corporation for lands agreements, due in periodic instalments to the year 2025 (2023 – 2025), bearing interest at 0.00% (2023 – 0.00%).	14	197
Energy infrastructure development loan due in periodic instalments bearing interest at 6.40% (2023 – 6.40%).	205	205
Better Buildings Program offering low-cost funding of up to \$50,000 for residential and \$100,000 for commercial buildings for upgrades that reduce annual energy consumption. Due in varying annual amounts over fifteen-year term to the year 2038, bearing interest rates ranging from 4.75% to 5.25%.	152	-
Business development assistance loans, due in varying annual amounts with varying terms, bearing interest rates ranging from 0.00% to 5.20% (2023 – 0.00% to 5.20%).	65	65
Less: valuation allowances	<u>(322)</u>	<u>(322)</u>
	<u>\$ 43,788</u>	<u>\$ 41,511</u>

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

11. **Inventories for resale**

	2024	2023
	(thousands of dollars)	
Undeveloped land	\$ 603	\$ 603
Land under development	67,237	44,638
Developed land	16,818	32,304
	<u>\$ 84,658</u>	<u>\$ 77,545</u>

12. **Bank advances and short-term borrowings**

The amounts borrowed from lines of credit fluctuated throughout the year with interest rates between 5.85% to 6.35%. Interest expense incurred was \$2,220,000 (2023 - \$99,000).

The Government's financial institutions have legally enforceable rights to set off the outstanding balance under the line of credit by cash balances in other accounts with the same financial institution.

The bank advances and short-term borrowings are comprised of:

	2024	2023
	(thousands of dollars)	
Bank balance	\$ (89,008)	\$ -
Line of credit	194,071	-
	<u>\$ 105,063</u>	<u>\$ -</u>

13. **Accounts payable and accrued liabilities**

	2024	2023
	(thousands of dollars)	
Accounts payable	\$ 75,690	\$ 76,076
Accrued liabilities	94,085	122,967
Contractors' holdbacks and security deposits	35,529	32,072
Due to Territorial corporations	20,941	27,019
Other	6,441	-
	<u>\$ 232,686</u>	<u>\$ 258,134</u>

The accrued liabilities include the Yukon Government Carbon Price Rebate which represents the net of the amounts received from the Government of Canada less the amounts disbursed to the eligible groups as of March 31. The balance of the liability as of March 31, 2024 is \$16,142,000 (2023 - \$24,945,000).

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

14. **Unearned revenues**

	2024	2023
	(thousands of dollars)	
Liability portion of government transfers <sup>1</sup>	\$ 23,928	\$ 17,500
Motor vehicle fees for future years <sup>2</sup>	-	2,976
Prepaid lease payments	9,200	9,200
Other	197	517
	<u>\$ 33,325</u>	<u>\$ 30,193</u>

<sup>1</sup> The liability portion of government transfers represents transfer payments from the Government of Canada, which have funding stipulations that gave rise to a liability as of year-end.

<sup>2</sup> The prior year balance was recognized in revenue in the current year upon adoption of PS 3400 (Note 3). Motor vehicle licensing fees are no longer deferred.

15. **Environmental liabilities**

The following table presents the total estimated amounts of these liabilities:

	2024		2023	
	Number of sites	Estimated Liability	Number of sites	Estimated Liability
	(thousands of dollars)			
Liabilities for:				
Highway maintenance camps and airports	35	\$27,120	35	\$13,713
Other storage tanks and buildings	58	8,356	49	10,334
Marwell Tar Pit	1	25	1	67
Wellgreen	1	20,625	1	14,407
Wolverine	1	44,613	1	43,314
Minto	1	70,980	-	-
Other	16	12,747	15	5,311
	113	184,466	102	87,146
Type II sites	1	4,722	1	4,728
	114	<u>\$ 189,188</u>	103	<u>\$ 91,874</u>

(a) Contaminated sites and other environmental liabilities

The Government has recorded environmental liabilities for contaminated sites of \$184,466,000 (2023 - \$87,146,000). These liabilities consist of estimated costs related to the remediation of contaminated sites as well as estimated costs associated with other liabilities related to these sites. The liabilities are determined on a site-by-site basis and are based on preliminary environmental assessments or estimation for those sites where an assessment has not been conducted. The amount recorded is based on management's best estimates utilizing the information available at the financial statement date. The amount of liabilities becomes determinable over a continuum of events and activities as information becomes available. As a result, the actual amount of liabilities to remediate these sites could vary significantly.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

As at March 31, 2024, the Government was aware of 113 sites (2023 – 102 sites) where the Government is obligated or is likely obligated to incur such costs. Phase I Environmental Site Assessments (ESA) have been undertaken on 109 of the 113 sites. During the year, remediation work was undertaken at 16 sites.

One of the 113 contaminated sites, **Marwell Tar Pit**, has been formally designated as contaminated under the *Environment Act* (Yukon) and the *Contaminated Sites Regulation*. The Government is not a “responsible party” as defined by the *Environment Act* (Yukon) and determined by the *Contaminated Sites Regulation*. The Government of Canada was the landowner when the contamination occurred. In September 2010, the Government and the Government of Canada entered into an agreement to remediate the site over 11 years with a total estimated cost of \$6,800,000, of which the Government is to fund 30% or \$2,040,000 and the Government of Canada \$4,760,000. As at March 31, 2024, \$25,000 (2023 - \$67,000) was recorded as a liability for this site, which is part of the \$184,466,000 noted above.

A site known as **Wellgreen** ceased operations in the 1970's. The Government of Canada approved the tailings dam and resulting pond built at that time as meeting required specifications; however, concerns regarding the level of water in the pond were raised. Initial assessment confirmed that further remediation of the site is required. Negotiations with the previous owner and the Government of Canada are underway to establish final levels of responsibility and liability. Remediation has been estimated at \$20,625,000 (2023 - \$14,407,000), which reflects the Government's potential exposure before any potential recoveries from the other parties.

The **Wolverine** mine site was owned and operated by Yukon Zinc Corporation under a license pursuant to the Quartz Mining Act (Yukon). After operating for a short period of time, during which the required financial security for potential closure and remediation costs was not provided in full, the company was placed in receivership on September 16, 2019. After several legal rulings and appeals, the court appointed receiver was unsuccessful in finding a viable purchaser of the mine and recommended it be turned over to the government for closure. The Government has included \$44,613,000 (2023 - \$43,314,000) as an estimated liability for the remediation of this mine.

In May 2023, **Minto Metal Corporation** abandoned its mine site located on Selkirk First Nation Category Settlement Land. The Government, in its regulatory capacity, determined that the mining operation was abandoned and acted under its powers in the *Quartz Mining Act* and *Water Act* to protect persons, property and environment. The total reclamation and closure activities have been estimated at \$94,973,000 which reflects the Government's estimated exposure before any recoveries from other parties. The corresponding expense was recognized in expenses in the statement of operations and accumulated operating surplus under Natural resources (Note 21 and Schedule B).

There is a related \$3,080,000 security from Minto Metal Corporation which is held in trust and a security bond of \$72,000,000 that can be accessed by the Government. During 2024, \$23,993,000 in associated costs were incurred. The Government claimed \$23,811,000 in recovery which was recorded in third party recoveries at March 31, 2024. By year end \$18,109,000 was received and \$5,702,000 was recorded as accounts receivable. As a result, the remaining liability for the Minto mine was reduced to \$70,980,000 as at March 31, 2024.

#### (b) Type II sites

Pursuant to the Devolution Transfer Agreement, the Government of Canada retained responsibility for the clean-up of waste sites that were identified on lands transferred effective April 1, 2003. The Government of Canada also accepted financial responsibility for the remediation of impacts attributable to activities that took place prior to April 2003 on the mine sites identified as Type II sites, which have been abandoned by their owner/operator. Except for the Ketz River site discussed below, the Government is not aware of any financial obligations on its part in relation to these mine sites.

## Notes to Non-Consolidated Financial Statements

**16. Asset retirement obligation liabilities**

	Asbestos & other hazardous building materials	Forestry access roads	Fuel tanks	Landfills	2024	2023
			(thousands of dollars)			
Opening balance	\$ 39,669	\$ 612	\$ 2,393	\$15,519	\$58,193	\$63,468
Liability incurred	598	15	-	-	613	12
Liability settled	(98)	-	-	-	(98)	(552)
Accretion	1,187	18	72	388	1,665	1,586
Changes in estimates	(9,828)	(56)	(386)	-	(10,270)	(6,321)
	\$ 41,798	\$ 589	\$ 2,079	\$ 15,907	\$50,103	\$58,193

The Government owns and leases several buildings that are known to have asbestos and other hazardous building materials, which represents a health hazard upon demolition of the building. Per Occupational Health and Safety Legislation, there is a legal obligation to remove the asbestos and other hazardous building materials in a prescribed manner when the building is demolished. The buildings have a remaining estimated useful life ranging from 1 to 71 years (2023 – 1 to 72 years). Estimated costs have been discounted to their present value using a discount rate of 4.50% per annum (2023 – 3.00%). The retirement costs are expected to be incurred between 2025 and 2096.

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

(b) Forestry access roads liability

The Government has asset retirement obligations for its forestry access roads under the *Forest Resources Act* – Forest Resources Regulation. Asset retirement activities include decommissioning of the roads to restrict future access. The forestry access roads have an estimated remaining useful life ranging from 1 to 10 years (2023 – 1 to 9 years). Estimated costs have been discounted to their present value using a discount rate of 4.50% per annum (2023 – 3.00%). The retirement costs are expected to be incurred between 2025 and 2035.

(c) Fuel tanks liability

The Government has asset retirement obligations for its fuel tanks under the *Environment Act (Yukon)* – Storage Tank Regulations. Asset retirement activities for the fuel tanks include decommissioning or dismantling the tanks, remediation of contamination from their normal use, and post-retirement monitoring. The fuel tanks have an estimated remaining useful life ranging from 9 to 20 years (2023 – 10 to 21 years). Estimated costs have been discounted to their present value using a discount rate of 4.50% per annum (2023 – 3.00%). The retirement costs are expected to be incurred between 2033 and 2053.

(d) Landfill liability

There are 23 active or closed landfill sites that are outside incorporated communities that are operated by the Government. These landfill sites are subject to the *Environment Act (Yukon)* – Solid Waste Regulations which includes requirements for closure and post-closure care of a landfill. In calculation of the liability for these sites, the remaining landfill life was estimated to be from 0 to 49 years (2023 – 0 to 50 years). Solid waste permits issued under the Solid Waste Regulations specify 25 years of post-closure monitoring; therefore, 25 years is used as an estimated length of time needed for post-closure care. A discount rate of 2.50% per annum (2023 – 2.50%) was used for the net present value calculation for active and closed landfill sites. The retirement costs are expected to be incurred between 2025 and 2099.

17. **Post-employment benefits and compensated absences**

	2024	2023
	(thousands of dollars)	
Severance benefits	\$ 59,490	\$ 58,336
Sick leave obligation	23,617	22,628
Vacation leave obligation	28,902	27,779
Accrued benefit obligation	112,009	108,743
Unamortized net actuarial gain (loss)	19,992	21,406
Post-employment benefits accrued liability	132,001	130,149
Compensated absences	2,971	2,515
	<u>\$ 134,972</u>	<u>\$ 132,664</u>

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

Severance benefits are paid on termination of service or upon retirement. The above amounts are comprised of severance benefits for Government employees and for the Members of the Legislative Assembly.

#### (a) Yukon Government employees

Severance benefits are paid to Government employees based on the type of termination, e.g., resignation versus retirement, the rate of the pay, and the number of years of continuous employment.

If an employee has at least five years of continuous service, a cash-in of sick leave will be paid on termination of service or upon retirement. The cash-in amount is calculated as 1/3 of unused sick leave credits to a maximum of 60 days multiplied by the daily pay rate at termination or retirement.

The accrued benefit obligation at March 31, 2024 is based on an actuarial valuation conducted as at December 31, 2022. In projecting the accrued obligation for these benefits as at March 31, 2024, the Government assumed a discount rate of 4.90% and general salary increases of 2.0% per annum. The net actuarial gain or loss is amortized over the expected average remaining service life of the active employees of 13 years.

Expenses related to post-employment benefits for the year ended March 31, 2024 were \$14,042,000 (2023 - \$17,506,000). Benefits paid by the Government from the post-employment benefits liability during the year amounted to \$12,394,000 (2023 - \$15,004,000). Post-employment benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

The Government also accounts for compensated absences liabilities in accordance with Canadian public sector accounting standards. Compensated absences include sick leave benefits, vacation leave benefits, special leave benefits and educational leave benefits.

Effective December 31, 2019, all current resignation and retirement severance accruals have been frozen for employees classified as Deputy Ministers and Managers. All employees are eligible to receive severance payouts based on service accrued prior to December 31, 2019. The plan amendments do not materially affect the results. The accounting standards prescribe that the cost of plan amendments related to prior employee service is accounted for as an expense in the period of the amendment. The exception is where unamortized gains or losses exist, whereby the unamortized gains or losses are immediately recognized to the maximum of the prior period service cost.

Effective June 30, 2018, all current and retirement severance accruals were frozen for certain employees of the Government. All employees in this group are entitled to receive severance payouts based on service accrued prior to June 30, 2018.

#### (b) Members of the Legislative Assembly

The *Legislative Assembly Act* (Yukon) provides a severance allowance to members of the Legislative Assembly based on the aggregate of the indemnity and salary received by the member during the preceding year and the number of years served by the member. At March 31, 2024, the severance benefit obligation for this benefit was \$1,308,000 (2023 - \$1,104,000). The value of the assets designated by the Government to meet this obligation was \$1,222,000 at March 31, 2024 (2023 - \$979,000), which included in the value disclosed in Note 8. The accrued benefit liability at March 31, 2024 is based on an extrapolation of an actuarial valuation that was performed as at December 31, 2022.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### 18. Retirement benefits

##### (a) Public Service Pension Plan

The Government's employees participate in the Public Service Pension Plan administered by the Government of Canada. In this plan, employees accumulate pension benefits up to a maximum period of 35 years at 2% per year of pensionable service based on the average of their five consecutive years of highest paid services. In December 2012, the Government of Canada passed legislation to create a new group of plan members for the employees who join the plan on or after January 1, 2013. This group of plan members is eligible to retire with an unreduced public service pension benefit at age 65 with at least two years of pensionable service (or at age 60 with at least 30 years of service) while the old group of members is eligible to retire with an unreduced public service pension benefit at age 60 with at least two years of pensionable service (or at age 55 with at least 30 years of service).

Since the above changes, there are two groups paying different rates of contributions to the plan. The Government contributes \$1.02 for every dollar contributed by the old group of plan members and \$1.00 for the new group of plan members.

In the calendar year 2024, for the portion of the employee's salary above \$202,000, the Government contributes \$4.63 for every dollar contributed by both groups of plan members. In the calendar year 2023, for the portion of the employee's salary above \$196,200 the Government contributed \$5.29 for every dollar contributed by both groups of plan members.

The Government's contributions to the Public Service Pension Plan during the year and recorded as expenses were \$47,051,000 (2023 - \$41,104,000).

##### (b) Legislative Assembly Retirement Allowances Plan

The Legislative Assembly Retirement Allowances Plan is a contributory defined benefit pension plan. These benefits are based on service and earnings. The Members' Services Board of the Legislative Assembly is responsible, pursuant to the *Legislative Assembly Retirement Allowances Act* (Yukon), for the administration of the Plan.

The funds are held by an investment manager in two different accounts. The first account holds the assets of the trust fund for the registered pension plan established pursuant to Parts 1 and 2 of the *Legislative Assembly Retirement Allowances Act*. The second account holds the assets of the Government, from which benefits under Part 3 of the *Legislative Assembly Retirement Allowances Act* are paid (Note 8). It is the Government's policy to fully fund Parts 1 and 2 of this pension plan.

The *Legislative Assembly Retirement Allowances Act* stipulates that actuarial valuations for funding purposes must be performed at least triennially. An actuarial valuation is based on a number of assumptions about future events, such as inflation rates, interest rates, salary increases and member turnover and mortality. The assumptions used in a valuation for funding purposes are based on the actuary's best estimates with margins for conservatism. The last actuarial valuation for funding purposes was performed as of March 31, 2021. The accrued benefit obligation as at March 31, 2024 is based on an actuarial valuation performed for accounting purposes using the membership data as of March 31, 2021.



# GOVERNMENT OF YUKON

## Notes to Non-Consolidated Financial Statements March 31, 2024

### (c) Territorial Court Judiciary Pension Plan

The Territorial Court Judiciary Pension Plan is a defined benefit pension plan, which is comprised of a judiciary registered pension plan, a judiciary retirement compensation arrangement and a supplementary judiciary pension plan. In addition to pension payments, these plans also contain a provision for payment of lump sum death and severance allowances. The Plan is administered by the Public Service Commissioner in the meaning assigned by the *Public Service Act* (Yukon).

Pursuant to the *Territorial Court Judiciary Pension Plan Act* (Yukon), the pension fund assets for the judiciary registered pension plan and the judiciary retirement compensation arrangement are held separate and distinct from the Government's operations and are managed by an investment manager. The *Territorial Court Judiciary Pension Plan Act* stipulates that no contributions are to be made to the supplementary judiciary pension plan, and no fund is to be maintained for this plan.

The last actuarial valuation for funding purposes was performed as of March 31, 2023. The accrued benefit obligation as at March 31, 2024 is based on an actuarial valuation performed for accounting purposes using the membership data as of March 31, 2023.

### (d) Extended health care and life insurance retirement benefits

The Government provides optional extended health care benefits to retired employees as well as life insurance coverage to eligible retirees. They are both non-pension defined benefit plans. The extended health care plan is self-insured. The accrued benefit obligation at March 31, 2024 is based on an extrapolation of an actuarial valuation conducted as at December 31, 2022. Extended health care and life insurance retirement benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Effective for all employees retiring after January 1, 2019, the cost sharing arrangement for extended health benefits was revised. Existing retirees and those retiring prior to January 1, 2019, were not impacted by the change.

Effective April 1, 2020, the eligibility for post-retirement life insurance was amended through changes to Section M, the terms and conditions of employment for managers. Managers appointed to MG3 or higher positions prior to April 1, 2020, retain their eligibility for post-retirement life insurance on retirement. Management employees newly appointed at the MG3 level or higher as of April 1, 2020, are not eligible for post-retirement life insurance.

The accrued benefit liability for the above retirement benefits was as follows:

	2024	2023
	(thousands of dollars)	(thousands of dollars)
Accrued benefit liability		
Extended health care retirement benefit	\$ 80,851	\$ 79,017
Legislative Assembly Retirement Allowances Plan	29,055	30,560
Life insurance retirement benefit	4,115	4,028
Territorial Court Judiciary Pension Plan	9,276	10,137
(Schedule D)	<u>\$ 123,297</u>	<u>\$ 123,742</u>

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

19. **Liabilities for leased tangible capital assets**

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Building lease obligation payable monthly until the year 2025, with imputed interest rate of 3.7%.	\$ 292	\$ 558
Building lease obligation payable monthly until the year 2024, with imputed interest rate of 3.3%.	<u>70</u>	<u>276</u>
	<u>\$ 362</u>	<u>\$ 834</u>

Interest expense related to liabilities for leased tangible capital assets for the year was \$99,000 (2023 - \$110,000) at an imputed average interest rate of 3.5% (2023 – 3.6%).

The following is a schedule of future minimum lease payments under the liabilities for leased tangible capital assets:

	(thousands of dollars)
2025	\$ 536
Less: amount representing executory costs	(135)
amount representing rental of land	(39)
amount representing interest	<u>-</u>
	<u>\$ 362</u>

20. **Tangible capital assets**

	<u>2024</u>	<u>2023</u>
	Net Book Value	Net Book Value
	(thousands of dollars)	
Land	\$ 13,010	\$ 13,010
Buildings	624,692	584,235
Equipment and vehicles	91,190	87,684
Computer hardware and software	36,094	36,410
Transportation infrastructure	926,190	818,503
Land improvements and fixtures	51,604	52,433
Sewage and water systems	57,508	58,123
Communications technology	<u>102,773</u>	<u>58,220</u>
(Schedule C)	<u>\$ 1,903,061</u>	<u>\$ 1,708,618</u>

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

Leased tangible capital assets are reported as part of the respective asset category. These leased assets are amortized on a straight-line basis over the lease term or estimated economic life. The amortization expense for the year was \$317,000 (2023 - \$990,000). The cost and accumulated amortization of leased capital assets that are included in the schedule of tangible capital assets are as follows:

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	(thousands of dollars)
Buildings (cost)	\$ 4,273	\$ 9,907
Less: accumulated amortization	<u>(3,935)</u>	<u>(9,255)</u>
	<u>\$ 338</u>	<u>\$ 652</u>

21. **Expenses by object**

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	(thousands of dollars)
Personnel	\$ 670,832	\$ 642,121
Government transfers	605,198	551,171
Contract and special services	257,040	258,877
Materials, supplies, and utilities	144,424	128,867
Environmental obligations	120,360	9,552
Amortization	62,790	58,203
Rent	62,852	59,327
Communication and transportation	45,372	43,409
Accretion	1,665	1,587
Other	<u>35,142</u>	<u>7,356</u>
	<u>\$ 2,005,675</u>	<u>\$ 1,760,470</u>

# GOVERNMENT OF YUKON

## Notes to Non-Consolidated Financial Statements March 31, 2024

### 22. Trusts under administration

The Government administers trust accounts on behalf of third parties, which are not included in the Government's assets.

The largest such trust account, the Compensation Fund (Yukon), has a fiscal year-end of December 31. Details of the assets of the Compensation Fund (Yukon), principally investments, are available from its financial statements, which are reproduced in Section III of the Public Accounts of the Government. At March 31, 2024, the remaining trust account balances were held in bank accounts or invested in term deposits and GICs.

Investments of the Compensation Fund (Yukon) are valued at fair value. Investments of the remainder of the trust accounts are valued at the lower of cost and market. Any other assets held under administration such as property, securities and valuables are reflected in trust accounts only upon conversion to cash. The following is a summary of the trusts under administration as at March 31, 2024, except for the Compensation Fund (Yukon) which is at December 31, 2023.

	2024	2023
	(thousands of dollars)	
Compensation Fund (Yukon)	\$ 277,633	\$ 243,621 <sup>1</sup>
Canada Community Building Funds	148,308	124,155
Lottery Commission	10,855	10,852
Crime Prevention and Victim Services	8,213	7,430
Forest Sector Trust	6,675	6,309
Extended health and dental plan trust funds	465	3,844
Supreme Court trust	446	630
Public Guardian trust	2,006	1,754
Other	10,958	6,711
	<u>\$ 465,559</u>	<u>\$ 405,306</u>

<sup>1</sup> The figure has changed from the previously reported amount of \$246,720 because the Compensation Fund (Yukon) applied IFRS 17 Insurance Contracts for the first time in 2023, on a retrospective basis.

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

23. **Contractual rights**

The Government has entered into agreements to receive, or has contractual rights for, the following receipts subsequent to March 31, 2024:

	<u>Expiry Date</u>	<u>2025</u>	<u>2026 – 2032</u>	<u>Total</u>
		(thousands of dollars)		
Contribution and Service Agreements				
Infrastructure Canada	2031	\$ 101,119	\$ 389,787	\$ 490,906
Transport Canada	2029	101,065	183,760	284,825
Indigenous Services Canada	2032	26,299	157,794	184,093
Health Canada	2028	23,994	45,330	69,324
Environment and Natural Resources Canada	2028	1,560	23,030	24,590
Early Learning and Childcare Agreement	2026	12,139	10,930	23,069
Employment and Social Development	2028	6,539	14,007	20,546
Canada-Yukon Nature Agreement	2026	9,077	6,551	15,628
Canadian Heritage	2028	6,619	1,210	7,829
Justice Canada	2027	1,643	3,286	4,929
Student Financial Assistance	2026	509	2,036	2,545
		<u>\$ 290,563</u>	<u>\$ 837,721</u>	<u>\$ 1,128,284</u>

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

24. **Contractual obligations**

The Government has entered into agreements for, or is contractually obligated for, the following payments subsequent to March 31, 2024:

	Expiry Date	2025	2026 – 2040	Total
		(thousands of dollars)		
Capital projects				
- in progress at March 31, 2024	2031	\$ 342,543	\$ 146,493	\$ 489,036
RCMP policing agreement	2032	38,359	268,513	306,872
Yukon Hospital Corporation	2024	103,159	-	103,159
Other operational commitments	2028	50,680	16,941	67,621
Building/office space leases	2032	17,539	28,175	45,714
Mineral Resources and Geoscience Services	2027	19,397	3,987	23,384
Alkan Air Ltd. medical evacuation contract	2026	7,500	6,007	13,507
Yukon Development Corporation	2026	3,500	-	3,500
Information Services Corporation	2040	189	3,066	3,255
Student Transportation	2024	868	-	868
Northwestel Inc. mobile radio network system	2024	652	-	652
		<u>\$ 584,386</u>	<u>\$ 473,182</u>	<u>\$ 1,057,568</u>

25. **Commitments**

In June 2010, the Yukon Development Corporation (“YDC”) issued 30-year bonds in the amount of \$100 million at a fixed coupon rate of 5.0% per annum in part to finance the grant from the Yukon Development Corporation Fund and ratepayers’ future contributions towards the construction of the Mayo B hydro enhancement and the Carmacks-Stewart transmission phase II projects. In the Memorandum of Understanding (“the MOU”) between the Government and YDC dated March 10, 2011, the Government agreed to provide YDC with financial assistance to a maximum of \$2,625,000 annually from April 1, 2011, to March 31, 2042, based on a prescribed formula where, depending on the annual financial results of YDC, the Government funding will be reduced or eliminated. In 2023/2024, the Government paid \$2,428,000 (2023 - \$2,625,000) to YDC based on the MOU.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### 26. Overexpenditure

Over-expenditure of a vote contravenes subsection 17(2) of the *Financial Administration Act* (Yukon) which specifies that "a vote does not authorize any payment to be made in excess of the amount specified in the vote". During the year, no (2023 – no) departments exceeded their votes.

The *Appropriation Acts* (Yukon) state that the Government is not to expend grant payments except in accordance with the Act. During the year, two (2023 – one) department exceeded the authorized amounts as follows:

	(thousands of dollars)
Education	
- Post secondary student grants	\$ 680
- Childcare subsidies	\$ 45
Health and Social Services	
- Medical travel subsidies	\$ 266

#### 27. Guarantees

The Government has guaranteed repayment of loans payable by the Yukon Housing Corporation of \$544,000 (2023 - \$791,000). In addition, the Government has guaranteed an operating demand overdraft facility to the Yukon Housing Corporation of up to \$11,000,000 (2023 - \$11,000,000).

At March 31, 2024, the Yukon Development Corporation had long-term debt of \$225,000,000 (2023 - \$221,000,000) and a credit facility of up to \$115,000,000 (2023 - \$72,500,000). While the Government has not issued guarantees for these instruments, as the Yukon Development Corporation is an agent of the Government, lenders may have recourse to the Government.

In February 2024, the Government issued a letter of credit providing guarantee to the bank in relation to the Yukon University Employee's Pension Plan's solvency deficit. This guarantee is in effect until December 31, 2024. The maximum amount of letters of credit to which the guarantee applies is \$5,932,000 (2023 - \$22,250,000).

In August 2023, the Government issued a letter of credit providing guarantee to the bank in relation to the Yukon Hospital Employee's Pension Plan's solvency deficit. This guarantee was in effect from June 30, 2023 to June 30, 2024. The maximum amount of letters of credit to which the guarantee applied was \$27,992,000 (2023 - \$35,128,000).

It is expected that no significant costs will be incurred by the Government with respect to these guarantees and debts.

In November 2019, the Government and Yukon Hospital Corporation entered into a Pension Solvency Loan Agreement. The Government has loaned the Yukon Hospital Corporation \$3,063,000 for a payment to be made to their Pension Plan. The loan bears interest at the prime rate charged by the Government of Yukon's banker with interest calculated semi-annually. The annual interest rate for 2024 is 3.95%. The initial term of the loan is 15 years, due on December 11, 2034, with either party having the ability to terminate the loan with notice.

# GOVERNMENT OF YUKON

## Notes to Non-Consolidated Financial Statements March 31, 2024

### 28. Risk management of financial instruments

The Government has exposure to the following risks related to its financial instruments: credit risk, liquidity risk, interest rate risk, foreign exchange rate risk, and other price risk. The Government employs various risk management strategies and operates within fixed risk exposure limits to ensure exposure to risk is managed in a prudent and cost-effective manner.

The concentration of risk arises from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Government is primarily exposed to credit risk on its cash and cash equivalents, accounts receivable, loans receivable, and investments. The Government's carrying amounts for these financial assets best represent its maximum exposure to credit risk.

For cash and cash equivalents, and portfolio investments, the Government manages this risk by dealing solely with reputable financial institutions, and through an investment policy that limits investments to high credit quality as well as maintains asset allocation and portfolio diversification.

For accounts receivable, the Government reviews balances and aging information to determine if a valuation allowance is necessary, and initiates collection actions.

Information regarding the Government's accounts receivable is as follows:

	2024	2023
	(thousands of dollars)	
Carrying value	\$ 42,417	\$ 23,746
Allowance for doubtful accounts	\$ 3,599	\$ 2,518
Accounts receivable % less than 30 days	78 %	83 %
Accounts receivable % over 90 days	15 %	15 %

To manage the credit risk on loans receivable, the Government actively monitors loan payments and works with borrowers to develop payment plans to resolve outstanding arrears issues. The maximum exposure of the loans receivable to credit risk is \$43,788,000 (2023 - \$41,511,000). As at March 31, 2024, approximately 95% (2023 – 98%) of loans receivable were current, whereas 5% (2023 – 2%) were past due.

Liquidity risk is the risk that the Government will encounter difficulty in meeting obligations associated with financial liabilities. The Government is exposed to liquidity risk on its bank advances and short-term borrowings, accounts payable and accrued liabilities, and due to Government of Canada.

The Government manages its overall liquidity risk by managing cash resources which is achieved by monitoring actual and forecasted cash flows from operating, investing, and financing activities.

The carrying amounts of bank advances and short-term borrowings, accounts payable and accrued liabilities, as well as due to Government of Canada, as reported on the non-consolidated statement of financial position will be settled in the next fiscal year.



## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate unfavorably with changes in market interest rates.

The Government is exposed to interest rate risk through its investment holdings in interest-bearing, or fixed-income assets. The Government manages this risk on its investments by setting asset mix guidelines that limit the extent to which interest rates impact the market value of the Government's portfolio investments, which may include GICs, term deposits, and funds that include short-term debt securities of Canadian Governments and corporate issuers with terms to maturity of 90 days or more but one year or less from the date of acquisition. Based on year-end short-term investment balances, a one per cent increase (decrease) in the bank's prime lending rate could increase (decrease) interest income by approximately \$24,000 (2023 - \$43,000).

The Government has access to line of credit up to \$200,000,000 (2023 - \$100,000,000). The Government used its line of credit during the year and incurred interest expenses at prime rate minus 0.85% (2023 - prime rate minus 0.85%) per annum. The Government's credit facility interest rates are subject to fluctuations in the prime rate. The interest rate risk is minimal due to the short-term nature of amounts drawn.

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate unfavorably with a change in the value of the Canadian dollar relative to other currencies. The Government is not exposed to any significant foreign exchange risk because instruments held in foreign currency are not considered significant.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Government is exposed to other price risk through its portfolio investments; and manages these risks through maximum proportions of equities in its investment portfolio and through concentration limits on investments in any one issuer, as outlined in the investment policies and procedures.

The Government is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes. The other price risk is not considered significant.

#### 29. Land claims

Since February 1995, eleven Yukon First Nation Final and Self-government Agreements came into effect. The Government of Canada's negotiating mandate expired prior to the completion of the remaining three Yukon agreements. Settlements for these outstanding claims would not result in a general liability to the Government as they are to be funded by the Government of Canada. The Government would, however, be responsible for any financial obligations it might agree to during the negotiations.

The bilateral funding agreement with the Government of Canada that had been in place since June 24, 1993, and which provided funding towards the Government's additional implementation costs expired on March 31, 2009. However, there are no additional costs for the Government as all the existing funding commitments are captured elsewhere, either through a specific funding agreement with the Government of Canada or as a component of the base funding received by the Government. The specific implementation costs include Board and Council funding arising from the various Final Agreement Implementation Plans and other negotiated funding amounts.

## GOVERNMENT OF YUKON

### Notes to Non-Consolidated Financial Statements March 31, 2024

#### 30. Contingencies

##### Contingent liabilities

In the normal course of operations, the Government is subject to legal claims. These claims include items with pleading amounts and items where an amount is not specified. At March 31, 2024, the amounts claimed, excluding the claim from Northern Cross (Yukon) Ltd., which is described below, is \$32,206,000 (2023 - \$32,288,000). No provision for these claims has been made as it is unlikely or indeterminable that a liability has been incurred as at the date of the financial statements. Furthermore, an estimate of extent cannot be made as at the date of the financial statements.

On April 4, 2017, Northern Cross (Yukon) Ltd. ("Northern Cross") filed a Statement of Claim in the Supreme Court of Yukon against the Government of Yukon and the Minister of Energy, Mines and Resources. Northern Cross identified a number of causes of action although all of these are based upon its allegation that due to the moratorium on hydraulic fracturing Northern Cross' exploration rights in the Eagle Plains area have been adversely affected. The claim seeks up to \$2.26 billion which is comprised of \$395 million for refund of work deposits, application fees, rental amounts, sunk costs and interest and \$1.86 billion in damages for loss of opportunity of 8.6 billion barrels of oil, at fair market value, identified as being in the area through a resource evaluation. On April 12, 2017, Northern Cross changed its name to Chance Oil and Gas Limited. No provision for this claim has been made as it is undeterminable that liability has been incurred at the date of the financial statements.

The Government established a Risk Management Revolving Fund in December 2004, with a limit of \$5,000,000, which is to be used for providing limited insurance and risk management services to Government departments. Expenses relating to some of the property and liability losses incurred by the Government are to be paid out of this fund. The Government has legal liability and property insurance with a \$2,000,000 deductible. In 2024, the Government paid \$656,000 (2023 - \$841,000) for liability claims such as bodily injury, property damage and automobile liability. The Government had unpaid claims against the fund in the amount of \$2,434,000 as at March 31, 2024 (2023 - \$3,747,000). This amount is reported as part of the Government's accrued liabilities. The fund balance at March 31, 2024 was \$2,450,000 (2023 - \$2,613,000).

In addition to the environmental liabilities discussed in Note 15, there may be other instances of contamination for which the Government may be obligated to incur remediation costs. No liability has been recognized for these instances of contamination as the future costs of remediation and the Government's obligation to incur these costs are undeterminable at the date of the financial statements.

##### Contingent assets

The Government has instituted claims against others because of disputes resulting from breaches in contracts. It may receive funds in the future from recoveries of various types of claims paid out and other agreement pending the occurrence of certain events.

GOVERNMENT OF YUKON

**Notes to Non-Consolidated Financial Statements**  
**March 31, 2024**

31. **Subsequent Events**

On June 24, 2024 there was a major environmental incident at the Eagle Gold Mine, operated by Victoria Gold Corporation.

Subsequently, PricewaterhouseCoopers has been court-appointed receiver of the Corporation and is responsible for undertaking remediation activities at the site. Mining operations will remain suspended as the completion of the remediation is a condition precedent to any future mining activity at the site.

The Government has committed to advance \$50 million to the receiver, as a loan, to fund remediation activities. All funding advanced by the Government to the receiver is by a court-ordered priority charge. The Government estimates that the remediation may cost \$100 million to \$150 million.

Given the complexity of the environmental and associated legal issues, the Government is unable to determine the expected impacts on the Government's non-consolidated financial statements.

32. **Comparative figures**

Certain comparative figures for 2023 have been reclassified to conform with the 2024 presentation.

## GOVERNMENT OF YUKON

Schedule A

**Schedule of Revenues  
for the year ended March 31, 2024**

	2024		2023
	Main Estimates (Note 1(b))	Actual	Actual
	(thousands of dollars)		
From Government of Canada			
Formula Financing grant	\$ 1,252,161	\$ 1,252,161	\$ 1,174,144
Contributions and service agreements	270,594	280,889	305,132
Other grants	74,884	136,484	122,910
	<u>1,597,639</u>	<u>1,669,534</u>	<u>1,602,186</u>
Taxes and general revenues			
Income taxes	125,839	124,982	150,298
Other taxes			
Tobacco tax	14,628	11,077	11,612
Fuel oil tax	8,810	9,647	8,863
General property tax	6,921	7,317	6,545
Liquor tax	5,386	5,314	5,106
Insurance premium tax	9,016	8,712	8,902
Grant in lieu of property tax	253	256	240
Sale of land	32,285	16,066	8,351
Licences, permits and fees	18,333	23,976	20,483
Yukon Liquor Corporation			
Liquor profit	8,778	8,074	7,670
Cannabis profit	-	359	372
Investment and interest revenue	4,181	9,127	6,835
Resource revenue - mineral, oil and gas and forestry	11,992	4,934	2,362
Income from portfolio investments	-	1,106	980
Aviation operations	1,345	1,395	1,573
Fines	508	614	531
Restricted funds	-	462	260
Other revenues	121	343	205
	<u>248,396</u>	<u>233,761</u>	<u>241,188</u>
Funding and service agreements with other parties	24,836	48,444	18,240
	<u><b>\$ 1,870,871</b></u>	<u><b>\$ 1,951,739</b></u>	<u><b>\$ 1,861,614</b></u>

## GOVERNMENT OF YUKON

Schedule B

**Schedule of Expenses  
for year ended March 31, 2024**

	2024	Actual 2024						2023
	Main Estimates (Note 1(b))	Personnel	Government Transfers	Other	Amortization Expenses	Accretion Expenses	Total (Note 21)	Actual
		(thousands of dollars)						
Health and Social Services	\$ 535,081	\$ 197,909	\$ 267,039	\$ 154,052	\$ 7,371	\$ 77	\$ 626,448	\$ 530,712
Highways and Public Works	283,271	88,121	1,313	159,614	33,459	458	282,964	288,123
Community Services	201,026	34,801	71,149	79,629	4,477	412	190,467	204,829
Education	261,830	136,014	97,747	26,219	6,482	599	267,060	241,478
Justice	98,305	40,906	9,163	53,612	1,938	50	105,669	96,160
Energy, Mines and Resources	78,284	33,726	23,074	122,909	787	26	180,523	84,254
Environment	55,585	32,017	5,229	42,019	882	14	80,161	56,178
Public Service Commission	56,261	47,970	-	4,062	234	-	52,266	56,018
Tourism and Culture	35,445	12,673	13,115	8,554	797	30	35,170	35,150
Executive Council Office	25,615	15,407	7,340	5,751	2	-	28,500	28,577
Economic Development	27,519	7,513	18,882	2,029	-	-	28,424	28,701
Finance	14,321	9,917	2,737	4,046	167	-	16,866	13,570
Yukon Housing Corporation (Transfer Payment)	35,172	-	30,602	-	-	-	30,602	18,883
Yukon Legislative Assembly	8,006	4,555	-	1,875	14,300	-	6,444	7,740
Yukon Development Corporation (Transfer Payment)	23,439	-	23,045	-	-	-	23,045	29,993
French Language Services Directorate	6,805	5,298	559	1,424	-	-	7,281	6,689
Women and Gender Equity Directorate	3,672	1,466	3,098	432	-	-	4,996	3,187
Office of the Ombudsman	1,581	1,260	-	330	11	-	1,601	1,494
Child and Youth Advocate Office	878	719	-	182	-	-	902	819
Elections Office	858	560	-	262	-	-	822	729
Restricted Funds	3,512	-	31,106	-1,810	6,169	-	35,465	27,185
Adjustments	66,166	-	-	-	-	-	-	-
	<u>\$ 1,822,632</u>	<u>\$ 670,832</u>	<u>\$ 605,198</u>	<u>\$ 665,189</u>	<u>\$ 62,790</u>	<u>\$ 1,665</u>	<u>\$ 2,005,675</u>	<u>\$ 1,760,470</u>

## GOVERNMENT OF YUKON

Schedule C

**Schedule of Tangible Capital Assets  
for year ended March 31, 2024**

	Land	Buildings	Equipment & Vehicles	Computer Hardware & Software	Infrastructure	Land Improvements & Fixtures	Waste & Water Systems	Communications Technology	2024 Total	2023 Total
(thousands of dollars)										
Cost of tangible capital assets, opening	\$ 13,010	\$ 979,436	\$ 198,823	\$ 103,601	\$ 1,322,225	\$ 69,432	\$ 81,077	\$ 63,563	\$ 2,831,167	\$ 2,573,250
Change in asset retirement obligation estimate	-	(3,000)	(81)	-	(56)	-	-	-	(3,137)	(5,331)
Acquisitions	-	59,153	15,946	5,603	131,307	2,860	444	45,229	260,542	272,535
Write-downs	-	(74)	-	-	-	-	-	-	(74)	(2,804)
Disposals	-	(125)	(2,583)	(592)	-	-	-	-	(3,300)	(6,483)
Cost of tangible capital assets, closing	13,010	1,035,390	212,105	108,612	1,453,476	72,292	81,521	108,792	3,085,198	2,831,167
Accumulated amortization, opening	-	395,201	111,139	67,191	503,722	16,999	22,954	5,343	1,122,549	1,070,317
Amortization expense	-	15,622	12,261	5,919	23,564	3,689	1,059	676	62,790	58,203
Disposals	-	(125)	(2,485)	(592)	-	-	-	-	(3,202)	(5,971)
Accumulated amortization, closing	-	410,698	120,915	72,518	527,286	20,688	24,013	6,019	1,182,137	1,122,549
Net book value as at March 31 (Note 20)	<b>\$ 13,010</b>	<b>\$ 624,692</b>	<b>\$ 91,190</b>	<b>\$ 36,094</b>	<b>\$ 926,190</b>	<b>\$ 51,604</b>	<b>\$ 57,508</b>	<b>\$ 102,773</b>	<b>\$ 1,903,061</b>	<b>\$ 1,708,618</b>
Work-in-progress <sup>(a)</sup>	\$ -	\$ 95,512	\$ 8,508	\$ 18,678	\$ 310,436	\$ 15,497	\$ 13,887	\$ 97,048	\$ 559,566	\$ 405,307
Asset retirement obligations <sup>(a)</sup>	\$ -	\$ 779	\$ 106	\$ -	\$ 335	\$ -	\$ 1,692	\$ -	\$ 2,912	\$ 5,718

<sup>(a)</sup> Included in net book value

## GOVERNMENT OF YUKON

Schedule D

**Schedule of Retirement Benefits  
for year ended March 31, 2024**

	Extended Health Care Retirement Benefit	Legislative Assembly Retirement Allowances Plan	Life Insurance Retirement Benefit	Territorial Court Judiciary Pension Plan	2024 Total	2023 Total
(thousands of dollars)						
Pension and retirement plan assets are valued at fair market value.						
Accrued benefit obligation						
Obligation at beginning of year	\$ 55,075	\$ 34,208	\$ 3,588	\$ 13,244	\$ 106,115	\$ 118,096
Current service costs	2,266	1,578	38	526	4,408	4,802
Plan amendment	-	-	-	-	-	-
Interest cost on benefit obligation	2,715	2,047	173	765	5,700	5,401
Actuarial (gain) loss	24,507	1,255	(18)	422	26,166	(18,418)
Benefits paid	(1,658)	(1,754)	(121)	(621)	(4,154)	(3,765)
Accrued benefit obligation at end of year	82,905	37,334	3,660	14,336	138,235	106,116
Plan assets						
Value at beginning of year	-	11,262	-	4,725	15,987	15,277
Actual return on plan assets	-	893	-	293	1,186	352
Government contributions	-	342	-	465	807	2,607
Member contributions	-	186	-	65	251	262
Benefits paid	-	(369)	-	(621)	(990)	(2,511)
Value at end of year	-	12,314	-	4,927	17,241	15,987
Funded status - plan deficit	82,905	25,020	3,660	9,409	120,994	90,128
Unrecognized net actuarial gain (loss)	(2,054)	4,035	455	(133)	2,303	33,614
Accrued benefit liability (Note 18)	80,851	29,055	4,115	9,276	123,297	123,742
Net benefit cost						
Current service costs	2,266	1,578	38	526	4,408	4,802
Less: Member contributions	-	(186)	-	(65)	(251)	(262)
Interest cost on benefit obligation	2,715	2,047	173	765	5,700	5,401
Expected return on plan assets	-	(680)	-	(267)	(947)	(805)
Amortization of net actuarial (gain) loss	(1,488)	(2,537)	(3)	(1,355)	(5,383)	(2,269)
Net cost for the year	\$ 3,493	\$ 222	\$ 208	\$ (396)	\$ 3,527	\$ 6,867

## GOVERNMENT OF YUKON

Schedule D  
Continued**Schedule of Retirement Benefits  
for the year ended March 31, 2024**

	Extended Health Care Retirement Benefit	Legislative Assembly Retirement Allowances Plan	Life Insurance Retirement Benefit	Territorial Court Judiciary Pension Plan
<b>Key Assumptions</b>				
Expected long-term rate of return on assets at beginning of year	N/A	5.70%	N/A	5.40%
Discount rate on benefit costs	4.80%	6.00%	4.80%	5.70%
Discount rate on accrued benefit obligation at end of year	4.90%	5.70%	4.90%	5.40%
Inflation rate at end of year	2.00%	2.00%	2.00%	2.00%
Rate of compensation increase	see below <sup>1</sup>	2.50%	see below <sup>1</sup>	3.00%
Health care cost trend rate	see below <sup>2</sup>	N/A	N/A	N/A
Amortization period (expected average remaining service life)	13.0 years	2.0 years	9.5 Years	2.6 years

<sup>1</sup> Based on the annual rates from the Public Service Pension Plan ("PSPP") March 31, 2020 valuation report.<sup>2</sup> 5.7% per annum for 2024-25, decreasing linearly to 4.9% in 2029, and following the McMaster Model to an ultimate trend rate of 4.0% in 2040.



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SECTION II

SUPPLEMENTARY FINANCIAL INFORMATION

(unaudited)

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## GOVERNMENT OF YUKON

Schedule 1

**Non-Consolidated Comparative Schedule of Revenues  
for the year ended March 31, 2024**

	2024	2023	Increase (Decrease)
<b>From Government of Canada</b>			
<b>Formula Financing grant</b>	\$ 1,252,161,378	\$ 1,174,144,087	\$ 78,017,291
<b>Other grants</b>			
Canada health transfer	57,624,000	53,355,000	4,269,000
COVID-19 pandemic	-	3,273,355	(3,273,355)
Public Safety Canada	13,554,680	7,000,000	6,554,680
Carbon amounts received	30,653,319	25,307,976	5,345,343
Canada social transfer	18,393,000	18,021,000	372,000
Affordable housing in the North	15,000,000	15,000,000	-
Cannabis transfer	1,259,248	952,639	306,609
	136,484,247	122,909,970	13,574,277
<b>Contributions and service agreements</b>			
Investing in Canada infrastructure program	48,219,341	63,924,175	(15,704,834)
National trade corridors fund	61,324,524	48,248,896	13,075,628
Small communities fund	16,735,512	53,134,869	(36,399,357)
Low carbon economy fund	2,142,658	-	2,142,658
Continuing care facilities	10,495,805	10,010,933	484,872
Child welfare	11,257,997	10,694,064	563,933
Employment and Social Development Canada			
- Skills and labour market development	8,854,063	8,561,803	292,260
Canadian heritage			
- French language programs	9,039,432	8,623,452	415,980
Type II mine sites	4,804,531	6,276,221	(1,471,690)
Early learning and childcare	13,092,544	11,609,502	1,483,042
Target 1	590,727	1,399,965	(809,238)
Connect to innovate fund	11,400,954	11,414,890	(13,936)
Territorial health investment fund	5,966,830	4,975,994	990,836
Assisted living	3,445,598	3,642,322	(196,724)
Shared health priorities	3,010,178	-	3,010,178
Land claims implementation	3,858,748	3,445,583	413,165
Environment and climate change Canada	15,018,982	6,155,530	8,863,452
Yukon resource gateway	7,241,906	14,834,217	(7,592,311)
Proof of vaccination fund	3,398,023	3,395,022	3,001
RCMP - mobile radio system	2,487,240	2,485,076	2,164
Travel recoveries - First Nations benefits	2,163,714	2,239,968	(76,254)
Arrest processing unit	1,977,192	1,968,959	8,233
Health Canada	3,296,720	1,416,180	1,880,540
In kind TCA contribution	-	517,567	(517,567)
Youth criminal justice	1,670,471	1,642,865	27,606
Inuvialuit final agreement	1,738,666	1,898,445	(159,779)
Gas tax fund	2,112,922	2,772,532	(659,610)
Legal aid	1,617,000	1,356,000	261,000
Community recreation and active living	1,117,598	910,919	206,679
Clean water wastewater fund	951,882	948,118	3,764
Other funding and service agreements	21,856,769	16,627,776	5,228,993
	280,888,527	305,131,843	(24,243,316)

## GOVERNMENT OF YUKON

Schedule 1

**Non-Consolidated Comparative Schedule of Revenues  
for the year ended March 31, 2024**

	2024	2023	Increase (Decrease)
<b>Taxation</b>			
Income taxes	\$ 124,981,570	\$ 150,298,117	\$ (25,316,547)
Tobacco tax	11,076,526	11,611,968	(535,442)
Fuel oil tax	9,646,909	8,862,642	784,267
Insurance premium tax	8,711,558	8,902,010	(190,452)
General property tax	7,317,472	6,545,228	772,244
Liquor tax	5,314,277	5,105,558	208,719
Grants-in-lieu of property tax	256,181	239,704	16,477
	<u>167,304,493</u>	<u>191,565,227</u>	<u>(24,260,734)</u>
<b>Licenses, Permits and Fees</b>			
Business and professional	6,437,430	6,582,283	(144,853)
Motor vehicle	9,141,861	5,904,186	3,237,675
Continuing care facilities	3,795,365	3,525,530	269,835
Building safety	806,209	1,062,853	(256,644)
Land titles	452,823	585,503	(132,680)
Hunting, fishing and outfitting	777,704	766,630	11,074
Land use	626,919	436,052	190,867
Campground permits	1,134,759	941,845	192,914
Other	803,130	678,547	124,583
	<u>23,976,200</u>	<u>20,483,429</u>	<u>3,492,771</u>
<b>Investment and Interest Revenue</b>			
Banking and investment	5,998,008	4,342,427	1,655,581
Land sale agreements	986,317	1,104,465	(118,148)
Income from portfolio investments	1,106,388	979,772	126,616
Interest on advances to Territorial corporations	1,766,125	992,640	773,485
Local improvement loans	167,417	156,520	10,897
Debenture loans	102,704	76,737	25,967
Preferred dividend tax credit	38,994	96,538	(57,544)
Delinquent accounts	66,959	65,472	1,487
	<u>10,232,912</u>	<u>7,814,571</u>	<u>2,418,341</u>
<b>Fines</b>			
Territorial Court	608,684	523,953	84,731
Library fines	5,589	7,207	(1,618)
	<u>614,273</u>	<u>531,160</u>	<u>83,113</u>

## GOVERNMENT OF YUKON

Schedule 1

**Non-Consolidated Comparative Schedule of Revenues  
for the year ended March 31, 2024**

	2024	2023	Increase (Decrease)
<b>Other</b>			
Resource revenue - mineral, oil and gas and forestry	\$ 4,933,882	\$ 2,362,148	\$ 2,571,734
Yukon Liquor Corporation			
- Liquor profit	8,073,946	7,669,582	404,364
- Cannabis profit	358,679	372,232	(13,553)
Sale of land	16,066,258	8,351,148	7,715,110
Restricted funds	462,259	260,288	201,971
Aviation operations	1,395,483	1,573,271	(177,788)
Other	341,934	204,754	137,180
	<u>31,632,441</u>	<u>20,793,423</u>	<u>10,839,018</u>
<b>Funding and service agreements with other parties</b>			
Third-party health care costs	231,511	7,502,840	(7,271,329)
Canada Health Infoway - system development	-	(18,495)	18,495
Airports	1,817,435	1,842,247	(24,812)
Fire management	2,776,131	335,728	2,440,403
Continuing and other health care recoveries from clients	280,196	520,670	(240,474)
Water and sewer	423,631	672,548	(248,917)
Restricted funds	473	58,601	(58,128)
Other	42,914,939	7,325,959	35,588,980
	<u>48,444,316</u>	<u>18,240,098</u>	<u>30,204,218</u>
	<u><b>\$ 1,951,738,787</b></u>	<u><b>\$ 1,861,613,808</b></u>	<u><b>\$ 90,124,979</b></u>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Yukon Legislative Assembly</b>					
<u>Taxes and General Revenues</u>					
Income from portfolio investment	\$ 860,000	\$ -	\$ 860,000	\$ 1,106,388	\$ 246,388
<b>Executive Council Office</b>					
<u>From Canada</u>					
Operation and Maintenance					
Yukon Environmental Socio-economic Assessment Act implementation					
- Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)	377,000	106,000	483,000	393,060	(89,940)
- Land claims implementation - CIRNAC	4,526,000	-	4,526,000	3,858,748	(667,252)
- Office of the Commissioner - CIRNAC	15,000	-	15,000	15,000	-
COVID-19 response					
- Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)	-	189,000	189,000	57,470	(131,530)
	4,918,000	295,000	5,213,000	4,324,278	(888,722)
<u>Taxes and General Revenues</u>					
Water license fees	40,000	-	40,000	41,069	1,069
<b>Total revenues</b>	<b>4,958,000</b>	<b>295,000</b>	<b>5,253,000</b>	<b>4,365,347</b>	<b>(887,653)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Community Services</b>					
<u>From Canada</u>					
Operation and Maintenance					
Emergency measures					
Crown-Indigenous Relations and Northern Affairs Canada					
- Emergency measures	\$ 222,000	\$ -	\$ 222,000	\$ 221,955	\$ (45)
Public Safety Canada					
- Disaster Financial Assistance Agreement re: flood relief advance payment	-	-	-	13,554,680	13,554,680
Sport	353,000	100,000	453,000	453,025	25
Community recreation/active living	541,000	577,000	1,118,000	1,117,598	(402)
Transit Relief Funding	-	-	-	-	-
Author readings	16,000	-	16,000	20,600	4,600
Fire management	400,000	-	400,000	400,000	-
Natural Resources Canada					
- Fighting and Managing Wildfires in a Changing Climate	-	1,408,000	1,408,000	1,818,579	410,579
- 2 Billion Trees	-	122,000	122,000	172,414	50,414
Capital					
Canada Community Building Fund	2,500,000	-	2,500,000	2,112,922	(387,078)
Small Communities Fund	4,846,000	(295,000)	4,551,000	3,686,711	(864,289)
Investing in Canada infrastructure program (Protective services)	294,000	-	294,000	227,446	(66,554)
Natural Resources Canada					
- Fighting and Managing Wildfires in a Changing Climate	-	500,000	500,000	500,000	-
- 2 Billion Trees	-	225,000	225,000	-	(225,000)
Investing in Canada infrastructure program (Community development)	35,332,000	(6,287,000)	29,045,000	25,924,190	(3,120,810)
Community, Water, Sewer and Solid Waste	-	-	-	39,153	39,153
	44,504,000	(3,650,000)	40,854,000	50,249,273	9,395,273



## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Community Services</b>					
<u>Taxes and General Revenues</u>					
Building safety licenses and fees	\$ 500,000	\$ -	\$ 500,000	\$ 806,209	\$ 306,209
Library fines	8,000	-	8,000	5,589	(2,411)
Photocopier fees	2,000	-	2,000	60	(1,940)
Sale of land	32,085,000	-	32,085,000	15,968,558	(16,116,442)
Interest on local improvement	200,000	-	200,000	167,417	(32,583)
General property tax	6,921,000	-	6,921,000	7,317,472	396,472
Grant-in-lieu of property tax	253,000	-	253,000	256,181	3,181
Professional/consumer licensing	675,000	-	675,000	654,437	(20,563)
Business/corporate licensing	4,032,000	-	4,032,000	5,782,993	1,750,993
Employment standards	6,000	-	6,000	8,055	2,055
Employment Standards Board (ESB)	-	-	-	250	250
Community, Water, Sewer and Solid Waste Projects	213,000	-	213,000	173,455	(39,545)
	<u>44,895,000</u>	<u>-</u>	<u>44,895,000</u>	<u>31,140,676</u>	<u>(13,754,324)</u>
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Shared services	55,000	-	55,000	-	(55,000)
Emergency medical services	-	-	-	27,863	27,863
Community recreation/active living	60,000	-	60,000	99,800	39,800
Sport	959,000	-	959,000	719,817	(239,183)
Public library	15,000	-	15,000	-	(15,000)
Water and sewer services	981,000	-	981,000	423,631	(557,369)
Mosquito control	46,000	-	46,000	70,281	24,281
Direct fire - export	-	2,109,000	2,109,000	2,776,131	667,131
Community assessments	807,000	-	807,000	884,762	77,762
Capital					
Rural electrification and well program	-	-	-	225,063	225,063
	<u>2,923,000</u>	<u>2,109,000</u>	<u>5,032,000</u>	<u>5,227,348</u>	<u>195,348</u>
<b>Total revenues</b>	<b>92,322,000</b>	<b>(1,541,000)</b>	<b>90,781,000</b>	<b>86,617,297</b>	<b>(4,163,703)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Economic Development</b>					
<u>Taxes and General Revenues</u>					
Trade School Registration Fees	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ (1,000)
<u>From Canada</u>					
Operation and Maintenance					
Canada-Yukon business service centre	-	-	-	100,000	100,000
Foreign Credential Recognition Program	-	-	-	40,000	40,000
Labour Market Development Agreement	4,801,000	-	4,801,000	4,595,298	(205,702)
Workforce Development Agreement	2,766,000	-	2,766,000	2,766,000	-
Skills for Success	1,483,000	-	1,483,000	1,452,765	(30,235)
	9,050,000	-	9,050,000	8,954,063	(95,937)
<b>Total revenues</b>	<b>9,051,000</b>	<b>-</b>	<b>9,051,000</b>	<b>8,954,063</b>	<b>(96,937)</b>
<b>Education</b>					
<u>From Canada</u>					
Operation and Maintenance					
Canadian Heritage - French language programs	2,583,000	899,000	3,482,000	3,229,432	(252,568)
Student financial assistance					
- Canada student loan	509,000	-	509,000	513,023	4,023
Early learning and child care	12,747,000	-	12,747,000	13,092,544	345,544
Capital					
Investing in Canada infrastructure program	1,785,000	(765,000)	1,020,000	519	(1,019,481)
Early Learning and Child Care	515,000	-	515,000	126,359	(388,641)
	18,139,000	134,000	18,273,000	16,961,877	(1,311,123)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Education</b>					
<u>Taxes and General Revenues</u>					
Extension programs fees	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ (5,000)
Summer school fees	10,000	-	10,000	6,300	(3,700)
Apprenticeship and certification	1,000	-	1,000	2,171	1,171
	<u>16,000</u>	<u>-</u>	<u>16,000</u>	<u>8,471</u>	<u>(7,529)</u>
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Victoria Gold Yukon Student Encouragement Society	280,000	-	280,000	262,217	(17,783)
Student accommodation	80,000	-	80,000	42,750	(37,250)
Staff accommodation rental	40,000	-	40,000	16,085	(23,915)
Stikine students	264,000	-	264,000	322,000	58,000
Facility lease	-	-	-	14,443	14,443
Yukon Association of Education Professionals - Teachers on call	80,000	-	80,000	13,060	(66,940)
Council of Ministers of Education of Canada agreement					
- Monitors	350,000	28,000	378,000	189,225	(188,775)
Capital					
School-based information technology	88,000	-	88,000	66,745	(21,255)
	<u>1,182,000</u>	<u>28,000</u>	<u>1,210,000</u>	<u>926,525</u>	<u>(283,475)</u>
Total revenues	<b>19,337,000</b>	<b>162,000</b>	<b>19,499,000</b>	<b>17,896,873</b>	<b>(1,602,127)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Energy, Mines and Resources</b>					
<u>From Canada</u>					
Operation and Maintenance					
Agriculture Canada					
- Canadian agricultural partnership	\$ 1,110,000	\$ -	\$ 1,110,000	\$ 1,062,793	\$ (47,207)
- Rent	3,000	-	3,000	3,000	-
- Canadian Food Inspection Agency	2,000	-	2,000	1,500	(500)
Canadian Northern Economic Development Agency					
- Jobs and growth fund	-	100,000	100,000	99,999	(1)
- Agriculture projects	-	-	-	5,253	5,253
Canadian Forest Services					
- National Forest Industry	-	84,000	84,000	84,353	353
Natural Resources Canada					
- Clean energy for rural and remote communities	-	-	-	(12,240)	(12,240)
- Energy efficiency - greener homes initiative	201,000	94,000	295,000	262,898	(32,102)
- Zero emission vehicle infrastructure program	850,000	(390,000)	460,000	312,000	(148,000)
- Emerging renewable power program	-	-	-	(1,959)	(1,959.00)
- Geological survey of Canada	380,000	-	380,000	380,000	-
Environment and Climate Change Canada					
- Low carbon economy fund	5,335,000	4,500,000	9,835,000	9,477,466	(357,534)
Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)					
- Type II mine sites	9,365,000	(3,645,000)	5,720,000	4,804,531	(915,469)
Fish Habitat Management System	60,000	-	60,000	60,000	-
Capital					
Natural Resources Canada					
- Zero emission vehicle infrastructure program	-	90,000	90,000	90,000	-
	17,306,000	833,000	18,139,000	16,629,594	(1,509,406)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Energy, Mines and Resources</b>					
<u>Taxes and General Revenues</u>					
Land management					
- Lands administration/interest	\$ 1,150,000	\$ -	\$ 1,150,000	\$ 986,317	\$ (163,683)
- Land sales fees	20,000	-	20,000	181,331	161,331
- Land leases	189,000	-	189,000	297,834	108,834
- Land use fees	21,000	-	21,000	899	(20,101)
- Quarrying royalties and leases	80,000	-	80,000	120,462	40,462
- Sale of land	200,000	-	200,000	97,700	(102,300)
Land planning					
- Application fees	7,000	-	7,000	2,600	(4,400)
Forest management					
- Application fees	3,000	-	3,000	1,300	(1,700)
- Timber royalty	20,000	-	20,000	29,274	9,274
- Development fee	10,000	-	10,000	18,245	8,245
- Road charge	15,000	-	15,000	32,258	17,258
Agriculture					
- Agricultural land application and grazing lease fees	5,000	-	5,000	6,193	1,193
Geological and petroleum resources					
- Rentals and administration	2,000	-	2,000	-	(2,000)
Mineral resources					
- Coal leases, permits and royalties	22,000	-	22,000	2,692	(19,308)
- Placer mining fees	385,000	-	385,000	409,868	24,868
- Quartz mining fees and leases	11,535,000	(6,300,000)	5,235,000	4,440,245	(794,755)
- Maps, publications and charts	5,000	-	5,000	1,261	(3,739)
	13,669,000	(6,300,000)	7,369,000	6,628,479	(740,521)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Energy, Mines and Resources</b>					
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Land management					
- Legal surveys	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ (10,000)
Agriculture conference	3,000	-	3,000	-	(3,000)
Mineral resources					
- Security for Minto Mine	-	25,000,000	25,000,000	23,811,626	(1,188,374)
	13,000	25,000,000	25,013,000	23,811,626	(1,201,374)
Total revenues	<b>30,988,000</b>	<b>19,533,000</b>	<b>50,521,000</b>	<b>47,069,699</b>	<b>(3,451,301)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Environment</b>					
<u>From Canada</u>					
Operation and Maintenance					
Inuvialuit Final Agreement	\$ 1,576,000	\$ 163,000	\$ 1,739,000	\$ 1,738,666	\$ (334)
Climate change preparedness in the North	370,000	567,000	937,000	872,541	(64,459)
Environment and Climate Change Canada					
- Canada Yukon Climate Agreement	6,682,000	-	6,682,000	4,170,178	(2,511,822)
- Climate Change Scientist	127,000	-	127,000	124,819	(2,181)
- Target 1	1,400,000	-	1,400,000	590,727	(809,273)
- Miscellaneous	999,000	-	999,000	1,246,519	247,519
Environmental sustainability - miscellaneous partnerships	48,000	-	48,000	36,146	(11,854)
Environmental occurrences notification agreement	6,000	-	6,000	6,670	670
Polar Knowledge	-	83,000	83,000	89,206	6,206
Natural Resources Canada	300,000	705,000	1,005,000	980,896	(24,104)
Wellgreen	-	-	-	1,350,000	1,350,000
Capital					
Investing in Canada infrastructure program	638,000	-	638,000	360,895	(277,105)
	12,146,000	1,518,000	13,664,000	11,567,264	(2,096,736)
<u>Taxes and General Revenues</u>					
Campground permits	1,104,000	-	1,104,000	1,134,759	30,759
Wilderness tourism licensing	8,000	-	8,000	7,600	(400)
Hunting licenses and seals	465,000	-	465,000	479,270	14,270
Trapping and fur licenses	6,000	-	6,000	5,845	(155)
Fishing licenses	355,000	-	355,000	277,539	(77,461)
Outfitting fees	10,000	-	10,000	7,450	(2,550)
	1,948,000	-	1,948,000	1,912,463	(35,537)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Environment</b>					
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Advertising recoveries - publications	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ (10,000)
Mapping recoveries	10,000	-	10,000	1,240	(8,760)
Environmental sustainability - miscellaneous partnerships	48,000	-	48,000	43,678	(4,322)
Compulsory inspections - Province of British Columbia	2,000	-	2,000	2,500	500
Conservation Action Team	2,000	-	2,000	3,700	1,700
United States Geological Survey	88,000	-	88,000	41,000	(47,000)
Standards and approvals - technical review	45,000	-	45,000	39,434	(5,566)
NatureServe Canada					
- Yukon conservation data	34,000	-	34,000	24,000	(10,000)
Trapper education workshop	26,000	-	26,000	31,900	5,900
Klondike Plateau Bear Project	128,000	-	128,000	17,722	(110,278)
	393,000	-	393,000	205,174	(187,826)
<b>Total revenues</b>	<b>14,487,000</b>	<b>1,518,000</b>	<b>16,005,000</b>	<b>13,684,901</b>	<b>(2,320,099)</b>



## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Finance</b>					
<u>From Canada</u>					
Formula Financing grant	\$ 1,252,161,000	\$ -	\$ 1,252,161,000	\$ 1,252,161,378	\$ 378
Canada health transfer	55,569,000	2,055,000	57,624,000	57,624,000	-
Canada social transfer	18,459,000	(66,000)	18,393,000	18,393,000	-
Cannabis transfer	856,000	317,000	1,173,000	1,259,248	86,248
Affordable housing in the North	-	15,000,000	15,000,000	15,000,000	-
	<u>1,327,045,000</u>	<u>17,306,000</u>	<u>1,344,351,000</u>	<u>1,344,437,626</u>	<u>86,626</u>
<u>Taxes and General Revenues</u>					
Personal income tax	98,397,000	6,206,000	104,603,000	109,606,499	5,003,499
Corporate income tax	27,442,000	(8,488,000)	18,954,000	15,375,071	(3,578,929)
Fuel oil tax	8,810,000	-	8,810,000	9,646,909	836,909
Insurance premium tax	9,016,000	-	9,016,000	8,711,558	(304,442)
Tobacco tax	14,628,000	(3,965,000)	10,663,000	11,076,526	413,526
Banking and investment	1,017,000	-	1,017,000	5,998,008	4,981,008
Interest on advance to Territorial Corporation	880,000	-	880,000	1,766,125	886,125
Interest on accounts receivable	5,000	-	5,000	56,043	51,043
Miscellaneous revenue	50,000	-	50,000	257,575	207,575
Preferred dividend tax	-	-	-	38,994	38,994
Exchange rate gain or loss	-	-	-	10,159	10,159
Delinquent charge tax	-	-	-	10,916	10,916
	<u>160,245,000</u>	<u>(6,247,000)</u>	<u>153,998,000</u>	<u>162,554,383</u>	<u>8,556,383</u>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Finance</b>					
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Workers' Compensation Health and Safety Board payroll	\$ 12,000	\$ -	\$ 12,000	\$ -	\$ (12,000)
Charge card incentive	50,000	-	50,000	48,912	(1,088)
Yukon Bureau of Statistics - recoverable services	-	-	-	51,578	51,578
	62,000	-	62,000	100,490	38,490
<b>Total revenues</b>	<b>1,487,352,000</b>	<b>11,059,000</b>	<b>1,498,411,000</b>	<b>1,507,092,499</b>	<b>8,681,499</b>
<b>French Language Services Directorate</b>					
<u>From Canada</u>					
Operation and Maintenance					
Health Canada	-	150,000	150,000	67,156	(82,844)
Canadian Heritage	5,750,000	60,000	5,810,000	5,810,000	-
	5,750,000	210,000	5,960,000	5,877,156	(82,844)
<u>Third-Party Recoveries</u>					
Société Santé en français inc.	-	-	-	36,186	36,186
	-	-	-	36,186	36,186
<b>Total revenues</b>	<b>5,750,000</b>	<b>210,000</b>	<b>5,960,000</b>	<b>5,913,342</b>	<b>(46,658)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Health and Social Services</b>					
<u>From Canada</u>					
Operation and Maintenance					
Territorial health investment fund	\$ 4,300,000	\$ 3,806,000	\$ 8,106,000	\$ 5,966,830	\$ (2,139,170)
- Prior year adjustment	-	-	-	1,214,639	1,214,639
Shared Health Priorities	-	6,299,000	6,299,000	3,010,078	(3,288,922)
Proof of vaccination fund	-	3,200,000	3,200,000	3,398,023	198,023
Child welfare	11,098,000	-	11,098,000	11,257,997	159,997
Federal child benefit	280,000	-	280,000	190,734	(89,266)
Transition homes	1,157,000	-	1,157,000	917,000	(240,000)
Youth criminal justice	1,643,000	-	1,643,000	1,670,471	27,471
Social assistance	509,000	-	509,000	448,140	(60,860)
Health Canada					
- Mental health	752,000	(82,000)	670,000	672,980	2,980
- Home care	1,030,000	(1,030,000)	-	-	-
- Aging and Dignity	-	2,530,000	2,530,000	2,623,740	93,740
Assisted living	3,800,000	-	3,800,000	3,445,598	(354,402)
Women and Gender Equality Canada					
- National Action Plan to End Gender- Based Violence	-	650,000	650,000	650,000	-
Travel recoveries - first nations benefits	2,000,000	-	2,000,000	2,163,714	163,714
Hearing assessments and aids	61,000	-	61,000	60,617	(383)
Congenital anomalies surveillance	-	-	-	84,538	84,538
Chronic disease surveillance	-	188,000	188,000	188,067	67
Canadian partnership against cancer	100,000	-	100,000	93,611	(6,389)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Health and Social Services</b>					
<u>From Canada (continued)</u>					
Continuing care facilities	\$ 9,450,000	\$ -	\$ 9,450,000	\$ 10,495,805	\$ 1,045,805
Substance use and addictions program (SUAP)	-	-	-	241,685	241,685
Clean water wastewater fund	-	952,000	952,000	951,882	(118)
Capital					
Investing in Canada infrastructure program	4,290,000	-	4,290,000	4,290,000	-
	<u>40,470,000</u>	<u>16,513,000</u>	<u>56,983,000</u>	<u>54,036,149</u>	<u>(2,946,851)</u>
<u>Taxes and General Revenues</u>					
Registration and fees	36,000	-	36,000	47,510	11,510
Environmental health - inspection/permits	10,000	-	10,000	15,230	5,230
Continuing care facilities	4,246,000	-	4,246,000	3,795,365	(450,635)
	<u>4,292,000</u>	<u>-</u>	<u>4,292,000</u>	<u>3,858,105</u>	<u>(433,895)</u>
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Canada Health Infoway	-	-	-	493,707	493,707
Social supports					
- Client recovery	50,000	-	50,000	45,145	(4,855)
- Social assistance	80,000	-	80,000	72,842	(7,158)
Third-party health care costs	8,641,000	-	8,641,000	11,141,042	2,500,042
Canadian Partnership Against Cancer	-	50,000	50,000	104,622	54,622
Hearing assessments and aids	587,000	-	587,000	171,253	(415,747)
Rental recovery	74,000	-	74,000	37,154	(36,846)
Community health					
- Yukon immunization program	50,000	-	50,000	16,924	(33,076)
Community nursing					
- Patient services	167,000	-	167,000	182,297	15,297
- Drugs and vaccines	10,000	-	10,000	706	(9,294)
- Rent/utility recoveries	116,000	-	116,000	40,310	(75,690)
- Lower post recovery	15,000	-	15,000	15,789	789
Emergency Medical Services	75,000	-	75,000	73,607	(1,393)
Miscellaneous Revenue	-	83,000	83,000	-	(83,000)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Health and Social Services</b>					
<u>Third-Party Recoveries (continued)</u>					
Continuing care facilities					
- McDonald lodge food services	\$ 120,000	\$ -	\$ 120,000	\$ 135,264	\$ 15,264
Third Party Home Care	40,000	-	40,000	231,511	191,511
	10,025,000	133,000	10,158,000	12,762,173	2,604,173
Total revenues	<b>54,787,000</b>	<b>16,646,000</b>	<b>71,433,000</b>	<b>70,656,427</b>	<b>(776,573)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Highways and Public Works</b>					
<u>From Canada</u>					
Operation and Maintenance					
Mobile radio system					
- Royal Canadian Mountain Police	\$ 2,396,000	\$ -	\$ 2,396,000	\$ 2,487,240	\$ 91,240
- Other federal agencies	69,000	-	69,000	26,192	(42,808)
Transportation - recoverable services	49,000	-	49,000	21,990	(27,010)
National safety code agreement	153,000	-	153,000	311,806	158,806
Motor vehicles	15,000	-	15,000	15,000	-
Airports	60,000	-	60,000	64,676	4,676
Leases/facility management agreements	32,000	-	32,000	32,544	544
Recoverable services	125,000	-	125,000	135,858	10,858
Natural Resources Canada					
- Energy efficiency program-greener homes initiatives	-	185,000	185,000	-	(185,000)
Capital					
Small Communities fund	6,225,000	-	6,225,000	13,048,801	6,823,801
Low carbon Economy fund		2,235,000	2,235,000	2,142,658	(92,342)
Yukon Resource Gateway project	11,333,000	(2,480,000)	8,853,000	7,241,906	(1,611,094)
National Trade Corridors fund	64,567,000	3,101,000	67,668,000	61,324,524	(6,343,476)
Active Transportation fund		863,000	863,000	-	(863,000)
Connect to Innovate fund	6,041,000	5,071,000	11,112,000	11,400,954	288,954
Mobile radio system	93,000	(93,000)	-	-	-
Investing in Canada infrastructure program - Dempster Fibre Project	6,041,000	3,388,000	9,429,000	9,139,192	(289,808)
Low carbon Economy Fund	6,300,000	(6,300,000)	-	-	-
	103,499,000	5,970,000	109,469,000	107,393,341	(2,075,659)

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Highways &amp; Public Works</b>					
<u>Taxes and General Revenues</u>					
Queen's Printer subscriptions	\$ -	\$ -	\$ -	\$ 3,529	\$ 3,529
Sale of government surplus equipment	46,000	-	46,000	58,496	12,496
Access to Information and Protection of Privacy	10,000	-	10,000	8,518	(1,482)
Highway information signs/permits	11,000	-	11,000	9,800	(1,200)
Quarry permits	-	-	-	5,600	5,600
Aviation operations	1,345,000	-	1,345,000	1,395,483	50,483
National safety code - fees/materials	26,000	-	26,000	23,562	(2,438)
Weigh station fees	158,000	-	158,000	253,682	95,682
Private vehicle registration/permits	1,705,000	-	1,705,000	2,744,422	1,039,422
Commercial vehicle registration/permits	3,102,000	-	3,102,000	4,733,606	1,631,606
Driver licenses/fees	513,000	-	513,000	1,663,833	1,150,833
Land use fees	12,000	-	12,000	12,000	-
	6,928,000	-	6,928,000	10,912,531	3,984,531
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Deposit forfeitures					
Travel agent processing	5,000	-	5,000	9,875	4,875
Industry conference and reverse tradeshow	12,000	-	12,000	4,000	(8,000)
Information and communications technology service agreements	697,000	-	697,000	730,982	33,982
Transportation - recoverable services	342,000	-	342,000	227,336	(114,664)
Airports	1,905,000	-	1,905,000	1,817,435	(87,565)
Leases/facility management agreements	379,000	-	379,000	459,075	80,075
Capital					
Dempster Fibre project	4,768,000	(4,768,000)	-	-	-
US Infrastructure and Jobs Act	750,000	(750,000)	-	-	-
Quarry permit	-	-	-	76,900	76,900
City of Whitehorse	-	-	-	132,932	132,932
	8,858,000	(5,518,000)	3,340,000	3,458,535	118,535
<b>Total revenues</b>	<b>119,285,000</b>	<b>452,000</b>	<b>119,737,000</b>	<b>121,764,407</b>	<b>2,027,407</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Justice</b>					
<u>From Canada</u>					
Operation and Maintenance					
Corporate Services					
- Community Safety Officer Program	\$ 534,000	\$ 385,000	\$ 919,000	\$ 219,597	\$ (699,403)
- Negotiations of Administration of Justice Agreements	469,000	-	469,000	-	(469,000)
- National Action Plan to End Gender-Based Violence	-	814,000	814,000	289,902	(524,098)
Court Services - French language training	-	5,000	5,000	4,209	(791)
Legal Services					
- Legal Aid	1,066,000	551,000	1,617,000	1,617,000	-
- Indigenous courtworker program	483,000	150,000	633,000	633,000	-
- Yukon Public Legal Education Association	163,000	-	163,000	163,000	-
Regulatory Services - Family justice activities	208,000	-	208,000	208,604	604
Community Justice and Public Safety					
- Cannabis and impaired driving	415,000	57,000	472,000	411,558	(60,442)
- Exchange of service agreement	30,000	-	30,000	30,346	346
- Drug treatment court funding	-	510,000	510,000	321,765	(188,235)
- Arrest processing unit	1,913,000	-	1,913,000	1,977,192	64,192
- Federal Victims Fund	914,000	-	914,000	870,624	(43,376)
- Justice Partnerships and Innovation Program	150,000	-	150,000	149,983	(17)
- Justice Partnerships and Innovation Program - Engagement	-	51,000	51,000	14,022	(36,978)
- Family Information Liaison Unit	-	285,000	285,000	249,477	(35,523)
- Indigenous family courtworker program	44,000	-	44,000	44,000	-
- Women and Gender Equality Canada					
- Sexualized Assault Response Team	125,000	116,000	241,000	206,514	(34,486)
- Gun and Gang Violence Action Fund	-	800,000	800,000	800,000	-
- YG CCG engagement funding	-	-	-	16,358	16,358
Capital					
Federal Victims Fund	31,000	-	31,000	7,137	(23,863)
	6,545,000	3,724,000	10,269,000	8,234,288	(2,034,712)
<u>Taxes and General Revenues</u>					
Court fees	500,000	-	500,000	608,684	108,684
Sheriff's Office	58,000	-	58,000	50,400	(7,600)
Public guardian and trustee fees	35,000	-	35,000	110,824	75,824
Land titles fees	600,000	-	600,000	452,823	(147,177)
	1,193,000	-	1,193,000	1,222,731	29,731



## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Justice</b>					
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Public Utilities Board hearings	\$ 100,000	\$ 620,000	\$ 720,000	\$ 713,894	\$ (6,106)
Worker advocate	455,000	-	455,000	363,312	(91,688)
Outreach worker - Province of British Columbia	44,000	9,000	53,000	56,434	3,434
	599,000	629,000	1,228,000	1,133,640	(94,360)
<b>Total revenues</b>	<b>8,337,000</b>	<b>4,353,000</b>	<b>12,690,000</b>	<b>10,590,659</b>	<b>(2,099,341)</b>
<b>Public Service Commission</b>					
<u>From Canada</u>					
Operation and Maintenance					
Health, Safety and Well-Being	5,000	-	5,000	-	(5,000)
	5,000	-	5,000	-	(5,000)
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Human resource business partners	227,000	-	227,000	234,270	7,270
Human resource shared services	77,000	-	77,000	77,070	70
Organizational development	5,000	-	5,000	300	(4,700)
Health, safety and well-being	5,000	-	5,000	-	(5,000)
	314,000	-	314,000	311,640	(2,360)
<b>Total revenues</b>	<b>319,000</b>	<b>-</b>	<b>319,000</b>	<b>311,640</b>	<b>(7,360)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Tourism and Culture</b>					
<u>From Canada</u>					
Operation and Maintenance					
Canada Council for the Arts	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ -
	250,000	-	250,000	250,000	-
<u>Taxes and General Revenues</u>					
Yukon Beringia Interpretive Centre	70,000	-	70,000	52,304	(17,696)
Archives - reproduction fees	6,000	-	6,000	10,854	4,854
	76,000	-	76,000	63,158	(12,842)
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Yukon Lottery Commission	467,000	-	467,000	470,506	3,506
	467,000	-	467,000	470,506	3,506
<b>Total revenues</b>	<b>793,000</b>	<b>-</b>	<b>793,000</b>	<b>783,664</b>	<b>(9,336)</b>
<b>Women and Gender Equity Directorate</b>					
<u>From Canada</u>					
Operation and Maintenance					
Women and Gender Equality Canada-Gender based violence funding	-	1,895,000	1,895,000	1,061,187	(833,813)
Crisis Hotline	-	175,000	175,000	175,000	-
<b>Total revenues</b>	<b>-</b>	<b>2,070,000</b>	<b>2,070,000</b>	<b>1,236,187</b>	<b>(833,813)</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Yukon Development Corporation</b>					
<u>From Canada</u>					
Capital					
Investing in Canada Infrastructure Program	\$ 3,000,000	\$ 856,000	\$ 3,856,000	\$ 3,847,912	\$ (8,088)
Arctic Energy fund	5,012,000	(768,000)	4,244,000	4,429,187	185,187
Total revenues	<b>8,012,000</b>	<b>88,000</b>	<b>8,100,000</b>	<b>8,277,099</b>	<b>177,099</b>
<b>Yukon Liquor Corporation</b>					
<u>Taxes and General Revenues</u>					
Corporate net income					
- Liquor profit	8,778,000	(921,000)	7,857,000	8,073,946	216,946
- Cannabis profit	-	-	-	358,679	358,679
Liquor tax	5,386,000	(65,000)	5,321,000	5,314,277	(6,723)
Total revenues	<b>14,164,000</b>	<b>(986,000)</b>	<b>13,178,000</b>	<b>13,746,902</b>	<b>568,902</b>
<b>Interest</b>					
<u>Taxes and General Revenues</u>					
Interest	<b>69,000</b>	<b>-</b>	<b>69,000</b>	<b>102,704</b>	<b>33,704</b>

## GOVERNMENT OF YUKON

Schedule 2

**Non-Consolidated Schedule of Revenues by Department  
for the year ended March 31, 2024**

	Main Estimates	Supplementary Estimates	Revised Estimates	Actual	Over (Under) Estimates
<b>Restricted Funds</b>					
<u>From Canada</u>					
Carbon amounts received	\$ -	\$ -	\$ -	\$ 30,653,319	\$ 30,653,319
Canada Region Relief and Recovery	-	-	-	452,638	452,638
Total revenues	-	-	-	<b>31,105,957</b>	<b>31,105,957</b>
<u>Taxes and General Revenues</u>					
Gain on sale of tangible capital assets	-	-	-	79,991	79,991
Other revenue	-	-	-	382,268	382,268
	-	-	-	462,259	462,259
<u>Third-Party Recoveries</u>					
Operation and Maintenance					
Restricted funds	-	-	-	473	473
Total revenues	-	-	-	<b>31,568,688</b>	<b>31,568,688</b>
<b>Totals</b>					
From Canada	1,597,639,000	45,011,000	1,642,650,000	1,669,534,152	26,884,152
<u>Taxes and General Revenues</u>	248,396,000	(13,533,000)	234,863,000	233,760,320	(1,102,680)
<u>Third-Party Recoveries</u>	24,836,000	22,381,000	47,217,000	48,444,315	1,227,315
Total revenues	<b>\$ 1,870,871,000</b>	<b>\$ 53,859,000</b>	<b>\$ 1,924,730,000</b>	<b>\$ 1,951,738,787</b>	<b>\$ 27,008,787</b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Yukon Legislative Assembly</b>			
Operation and Maintenance			
Legislative Services	\$ 4,071,921	\$ 3,973,129	\$ 98,792
Legislative Assembly Office	1,155,333	1,333,790	(178,457)
Retirement Allowances and Death Benefits	422,642	1,620,690	(1,198,048)
Hansard	651,667	627,827	23,840
Conflicts Commission	68,491	159,212	(90,721)
	<u>6,370,054</u>	<u>7,714,648</u>	<u>(1,344,594)</u>
Capital			
Legislative Assembly Office	<u>202,866</u>	<u>25,505</u>	<u>177,361</u>
Less: acquisition of tangible capital assets	<u>(143,000)</u>	<u>-</u>	<u>(143,000)</u>
	59,866	25,505	34,361
Amortization Expense	<u>14,300</u>	<u>-</u>	<u>14,300</u>
Total Expenses	<u><b>6,444,220</b></u>	<u><b>7,740,153</b></u>	<u><b>(1,295,933)</b></u>
<b>Elections Office</b>			
Operation and Maintenance			
Elections	<u>821,980</u>	<u>727,313</u>	<u>94,667</u>
Capital			
Elections	<u>-</u>	<u>1,581</u>	<u>(1,581)</u>
Total expenses	<u><b>821,980</b></u>	<u><b>728,894</b></u>	<u><b>93,086</b></u>
<b>Office of the Ombudsman</b>			
Operation and Maintenance			
Office of the Ombudsman	<u>1,587,008</u>	<u>1,481,826</u>	<u>105,182</u>
Capital			
Office of the Ombudsman	<u>3,000</u>	<u>1,718</u>	<u>1,282</u>
Amortization Expense	<u>10,664</u>	<u>10,664</u>	<u>-</u>
Total Expenses	<u><b>1,600,672</b></u>	<u><b>1,494,208</b></u>	<u><b>106,464</b></u>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Child and Youth Advocate Office</b>			
Operation and Maintenance			
Child and Youth Advocate Office	\$ 899,764	\$ 818,561	\$ 81,203
Capital			
Child and Youth Advocate Office	2,000	575	1,425
<b>Total Expenses</b>	<b>901,764</b>	<b>819,136</b>	<b>82,628</b>
<b>Executive Council Office</b>			
Operation and Maintenance			
Strategic Corporate Services	4,914,002	4,574,752	339,250
Aboriginal Relations	10,764,876	11,668,561	(903,685)
Corporate Programs and Intergovernmental Relations	8,263,697	7,075,277	1,188,420
Government Internal Audit Services	513,072	496,921	16,151
Office of the Commissioner	295,837	289,988	5,849
Cabinet Offices	3,626,201	3,837,317	(211,116)
COVID-19 Response	108,535	632,144	(523,609)
	28,486,220	28,574,960	(88,740)
Capital			
Corporate Services	11,608	-	11,608
Amortization Expense	1,999	1,999	-
<b>Total Expenses</b>	<b>28,499,827</b>	<b>28,576,959</b>	<b>(77,132)</b>

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Community Services</b>			
Operation and Maintenance			
Corporate Services	\$ 6,363,641	\$ 6,246,447	\$ 117,194
Protective Services	43,237,213	57,969,933	(14,732,720)
Community Development	52,804,465	50,670,200	2,134,265
Corporate Policy and Consumer Affairs	13,404,787	13,396,238	8,549
	<u>115,810,106</u>	<u>128,282,817</u>	<u>(12,472,711)</u>
Capital			
Corporate Services	6,022	8,999	(2,977)
Protective Services	4,155,804	3,842,820	312,984
Community Development	78,477,076	90,789,380	(12,312,304)
Corporate Policy and Consumer Affairs	-	2,155,353	(2,155,353)
Regulatory and Customer Affairs	1,875,582	-	1,875,582
	<u>84,514,484</u>	<u>96,796,551</u>	<u>(12,282,067)</u>
Less: Acquisition of tangible capital assets	(13,185,252)	(14,132,895)	947,643
Land development costs transferred to land inventory	(23,109,565)	(17,848,460)	(5,261,105)
Local improvement costs transferred to loans receivable	(1,544,276)	(1,853,833)	309,557
	<u>46,675,391</u>	<u>62,961,363</u>	<u>(16,285,972)</u>
Cost of Land Sold	<u>16,060,350</u>	<u>7,880,789</u>	<u>8,179,561</u>
Amortization Expense	<u>4,476,556</u>	<u>5,076,142</u>	<u>(599,586)</u>
Bad Debts Expense	<u>591,590</u>	<u>194,952</u>	<u>396,638</u>
Municipal Landfills	<u>6,440,776</u>	<u>-</u>	<u>6,440,776</u>
ARO Accretion Expense	<u>411,919</u>	<u>433,083</u>	<u>(21,164)</u>
<b>Total Expenses</b>	<b><u>190,466,688</u></b>	<b><u>204,829,146</u></b>	<b><u>(14,362,458)</u></b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Economic Development</b>			
Operation and Maintenance			
COVID-19 Response	\$ 190,353	\$ 2,217,282	\$ (2,026,929)
Corporate Services	3,562,974	3,200,346	362,628
Operations	24,536,951	23,015,184	1,521,767
	28,290,278	28,432,812	(142,534)
Capital			
Corporate services	43,073	34,885	8,188
Operations	90,433	233,725	(143,292)
	133,506	268,610	(135,104)
<b>Total Expenses</b>	<b>28,423,784</b>	<b>28,701,422</b>	<b>(277,638)</b>
<b>Education</b>			
Operation and Maintenance			
COVID-19 Response	-	363,440	(363,440)
Education Support Services	5,590,040	5,906,126	(316,086)
Schools and Student Services	148,853,563	129,774,554	19,079,009
Policy and Partnerships	60,299,821	55,135,672	5,164,149
Yukon University	30,375,316	28,913,316	1,462,000
First Nations initiatives	6,214,441	6,221,879	(7,438)
	251,333,181	226,314,987	25,018,194
Capital			
Schools and student Services	32,052,715	34,019,767	(1,967,052)
Yukon University	1,100,000	200,000	900,000
Policy and Partnerships	126,359	103,834	22,525
	33,279,074	34,323,601	(1,044,527)
Less acquisition of tangible capital assets	(24,635,285)	(25,878,166)	1,242,881
	8,643,789	8,445,435	198,354
ARO Accretion Expense	598,696	533,635	65,061
Amortization Expense	6,482,223	6,183,836	298,387
	7,080,919	6,717,471	363,448
Write-down of tangible capital assets	2,433.00	-	2,433.00
<b>Total Expenses</b>	<b>267,060,322</b>	<b>241,477,893</b>	<b>25,582,429</b>



## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Energy, Mines and Resources</b>			
Operation and Maintenance			
Corporate Services	\$ 14,133,000	\$ 15,442,281	\$ (1,309,281)
Sustainable Resources	12,976,463	29,896,178	(16,919,715)
Oil and Gas and Mineral Resources	50,297,066	33,659,582	16,637,484
Strategic Initiatives	26,185,360	28,814	26,156,546
	<u>103,591,889</u>	<u>79,026,855</u>	<u>24,565,034</u>
Capital			
Corporate services	1,402,883	1,216,947	185,936
Sustainable resources	300,913	269,333	31,580
	<u>1,703,796</u>	<u>1,486,280</u>	<u>217,516</u>
Less: Acquisition of tangible capital assets	(1,488,814)	(1,345,583)	(143,231)
Land development costs transferred to land inventory	(69,580)	(69,904)	324
	<u>145,402</u>	<u>70,793</u>	<u>74,609</u>
Cost of Land Sold	-	203,694	(203,694)
ARO Accretion Expense	25,746	22,456	3,290
Amortization Expense	787,371	693,262	94,109
	<u>813,117</u>	<u>715,718</u>	<u>97,399</u>
Environmental liabilities (net)	<u>75,972,183</u>	<u>4,236,746</u>	<u>71,735,437</u>
Total Expenses	<u><b>180,522,591</b></u>	<u><b>84,253,806</b></u>	<u><b>96,268,785</b></u>

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Environment</b>			
Operation and Maintenance			
Corporate Services	\$ 21,435,590	\$ 14,941,108	\$ 6,494,482
Environmental Sustainability	33,756,561	31,447,557	2,309,004
Environmental Liabilities & Remediation	4,095,038	3,577,272	517,766
	<u>59,287,189</u>	<u>49,965,938</u>	<u>9,321,251</u>
Capital			
Corporate Services	1,497,976	1,270,415	227,561
Environmental Sustainability	2,008,269	2,420,173	(411,904)
	<u>3,506,245</u>	<u>3,690,587</u>	<u>(184,342)</u>
Less acquisition of tangible capital assets	<u>(2,427,736)</u>	<u>(1,754,418)</u>	<u>(673,318)</u>
	<u>1,078,509</u>	<u>1,936,169</u>	<u>(857,660)</u>
ARO Accretion Expense	14,374	13,776	598
Amortization Expense	882,202	752,552	129,650
	<u>896,576</u>	<u>766,328</u>	<u>130,248</u>
Write-down/disposal of tangible capital assets	-	-	-
Environmental liabilities (net)	<u>18,898,511</u>	<u>3,509,105</u>	<u>15,389,406</u>
Total Expenses	<u>80,160,785</u>	<u>56,177,540</u>	<u>23,983,245</u>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Finance</b>			
Operation and Maintenance			
Corporate Services	\$ 1,494,590	\$ 1,195,745	\$ 298,845
Financial Operations and Revenue Services	6,413,632	3,947,331	2,466,301
Economics, Fiscal Policy and Statistics	2,667,251	2,629,960	37,291
Management Board Secretariat	1,916,083	2,142,760	(226,677)
Office of the Comptroller	1,413,401	1,147,791	265,610
Workers' Compensation Supplementary Benefits	201,589	226,935	(25,346)
	<u>14,106,546</u>	<u>11,290,522</u>	<u>2,816,024</u>
Capital			
Corporate services	26,552	31,335	(4,783)
Less acquisition of tangible capital assets	-	-	-
	<u>26,552</u>	<u>31,335</u>	<u>(4,783)</u>
Amortization Expense	<u>166,983</u>	<u>166,983</u>	<u>-</u>
Bad debt expense	<u>489,395</u>	<u>219,697</u>	<u>269,698</u>
Transfers through the tax system	<u>2,076,800</u>	<u>1,861,359</u>	<u>215,441</u>
<b>Total Expenses</b>	<b><u>16,866,276</u></b>	<b><u>13,569,896</u></b>	<b><u>3,296,380</u></b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>French Language Services Directorate</b>			
Operation and Maintenance			
French Language Services	\$ 7,281,066	\$ 6,689,470	\$ 591,596
<b>Health and Social Services</b>			
Operation and Maintenance			
Innovation, Quality and Performance	168,682,230	7,578,991	161,103,239
COVID-19 response	-	9,901,565	(9,901,565)
Corporate Services	33,018,970	23,003,948	10,015,022
Insured health and social services	105,675,038	235,963,732	(130,288,694)
Community and primary care	78,924,645	59,732,168	19,192,477
Continuing Care	98,063,244	90,353,930	7,709,314
Yukon Hospital Services	122,999,317	88,778,000	34,221,317
	607,363,444	515,312,334	92,051,110
Less pension costs transferred to loans receivable	-	-	-
	607,363,444	515,312,334	92,051,110
Capital			
Corporate Services	1,491,749	3,651,635	(2,159,886)
Family and Children's Services	-	71,532	(71,532)
Community and Program Support	2,600,442	1,579,835	1,020,607
Health Services	-	65,025	(65,025)
Continuing Care	312,810	557,901	(245,091)
Yukon Hospital Services	10,330,805	4,800,000	5,530,805
COVID-19 Response	-	839,000	(839,000)
	14,735,806	11,564,928	3,170,878
Less acquisition of tangible capital assets	(3,099,027)	(2,544,123)	(554,904)
	11,636,779	9,020,805	2,615,974
ARO Accretion Expense	76,833	87,707	(10,874)
Amortization Expense	7,371,111	6,290,906	1,080,205
	7,447,944	6,378,613	1,069,331
Write-down/disposal of tangible capital assets	-	-	-
Total Expenses	626,448,167	530,711,752	95,747,289

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Highways and Public Works</b>			
Operation and maintenance			
Corporate Services	\$ 13,535,415	\$ 15,121,818	\$ (1,586,403)
Information and Communications Technology	25,897,019	25,652,988	244,031
Transportation	77,173,903	74,847,081	2,326,822
Property Management	52,017,658	48,673,356	3,344,302
Capital Planning	1,613,495	1,051,671	561,824
Central Stores write off	-	(10,629)	10,629
	170,237,490	165,336,285	4,901,205
Less lease payments for leased tangible capital assets transferred to liabilities	(472,766)	(1,148,003)	675,237
	169,764,724	164,188,282	5,576,442
Capital			
Information and communications technology	13,770,054	15,888,336	(2,118,282)
Transportation	173,212,289	191,153,228	(17,940,939)
Property management	50,641,818	65,481,606	(14,839,788)
Capital Planning	46,411,808	40,362,636	6,049,172
	284,035,969	312,885,806	(28,849,837)
Less acquisition of tangible capital assets	(204,760,559)	(219,857,237)	15,096,678
	79,275,410	93,028,569	(13,753,159)
ARO Accretion Expense	457,555	416,790	40,765
Amortization Expense	33,459,215	30,454,775	3,004,440
	33,916,770	30,871,565	3,045,205
Write-down/disposal loss of tangible capital assets	7,254	26,837	(19,583)
Rental expense recognized from prepaid expenses	-	8,067	(8,067)
Total Expenses	<b>282,964,158</b>	<b>288,123,320</b>	<b>(5,159,162)</b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Justice</b>			
Operation and Maintenance			
Management Services	\$ 7,564,094	\$ 5,402,307	\$ 2,161,787
Court Services	6,814,002	7,504,445	(690,443)
Legal Services	11,553,101	12,561,772	(1,008,671)
Regulatory Services	5,536,773	4,732,189	804,584
Community Justice and Public Safety	67,854,128	59,782,381	8,071,747
Human Rights	904,190	727,547	176,643
COVID-19 Response	-	28,284	(28,284)
	<u>100,226,288</u>	<u>90,738,925</u>	<u>9,487,363</u>
Capital			
Management Services	300,485	584,742	(284,257)
Court Services	26,235	78,338	(52,103)
Community Justice and Public Safety	<u>3,473,503</u>	<u>3,347,208</u>	<u>126,295</u>
	3,800,223	4,010,288	(210,065)
Less acquisition of tangible capital assets	<u>(345,954)</u>	<u>(624,675)</u>	<u>278,721</u>
	<u>3,454,269</u>	<u>3,385,613</u>	<u>68,656</u>
ARO Accretion Expense	50,168	49,431	737
Amortization Expense	<u>1,937,789</u>	<u>1,985,539</u>	<u>(47,750)</u>
	<u>1,987,957</u>	<u>2,034,970</u>	<u>(47,013)</u>
Total Expenses	<u><b>105,668,514</b></u>	<u><b>96,159,508</b></u>	<u><b>9,509,006</b></u>
<b>Public Service Commission</b>			
Operation and Maintenance			
Corporate Services	2,422,170	2,797,470	(375,300)
Human Resource Service Centre	8,527,070	8,057,984	469,086
People and Culture	6,746,628	6,466,763	279,865
Employee Relations	5,970,819	5,584,164	386,655
Corporate Funds	<u>28,298,075</u>	<u>32,757,984</u>	<u>(4,459,909)</u>
	<u>51,964,762</u>	<u>55,664,365</u>	<u>(3,699,603)</u>

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Public Service Commission</b> (continued)			
Capital			
Corporate Services	\$ 67,538	\$ 53,484	\$ 14,054
People and Culture	46,100	974	45,126
Employee Relations	-	3,180	(3,180)
	113,638	57,638	56,000
Less acquisition of tangible capital assets	(46,100)	-	(46,100)
	67,538	57,638	9,900
Amortization Expense	233,655	295,697	(62,042)
Write-down/disposal loss of tangible capital assets	-	-	-
Total Expenses	<b>52,265,955</b>	<b>56,017,700</b>	<b>(3,751,745)</b>
<b>Tourism and Culture</b>			
Operation and Maintenance			
COVID-19 Response	752,582	1,543,917	(791,335)
Corporate Services	3,367,465	2,735,054	632,411
Cultural Services	15,367,441	14,973,149	394,292
Tourism	13,007,946	13,180,633	(172,687)
	32,495,434	32,432,753	62,681
Capital			
Corporate services	92,830	52,204	40,626
Cultural services	982,976	1,805,568	(822,592)
Tourism	1,213,684	896,124	317,560
	2,289,490	2,753,896	(464,406)
Less acquisition of tangible capital assets	(442,707)	(888,764)	446,057
	1,846,783	1,865,132	(18,349)
ARO Accretion Expense	29,944	30,095	(151)
Amortization Expense	797,448	821,892	(24,444)
	827,392	851,987	(24,595)
Write-down/disposal loss of tangible capital assets	-	-	-
Total Expenses	<b>35,169,609</b>	<b>35,149,872</b>	<b>19,737</b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Women and Gender Equity Directorate</b>			
Operation and Maintenance			
Policy and Program Development	\$ 4,996,097	\$ 3,187,471	\$ 1,808,626
	4,996,097	3,187,471	1,808,626
Capital			
Policy and program development	-	-	-
	-	-	-
Total Expenses	<b>4,996,097</b>	<b>3,187,471</b>	<b>1,808,626</b>
<b>Yukon Development Corporation (Transfer Payment)</b>			
Operation and Maintenance			
Inflation Relief Rebate	5,302,000	7,597,000	(2,295,000)
Interim Electrical Rebate	3,412,629	3,500,000	(87,371)
Mayo B Rate Payer Support	2,428,000	2,625,000	(197,000)
	11,142,629	13,722,000	(2,579,371)
Capital			
Innovative Renewable Energy Initiative	1,964,650	2,491,955	(527,305)
Arctic Energy Fund	4,089,994	7,000,000	(2,910,006)
Investing in Canada Infrastructure Program	3,847,912	6,779,257	(2,931,345)
Atlin Hydro Expansion Project	2,000,000	-	2,000,000
	11,902,556	16,271,212	(4,368,656)
Total Expenses	<b>23,045,185</b>	<b>29,993,212</b>	<b>(6,948,027)</b>



## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Yukon Housing Corporation (Transfer Payment)</b>			
Operation and Maintenance			
Gross expenditures	\$ 23,167,215	\$ 21,187,640	\$ 1,979,575
Less: Rental revenues	(10,179,350)	(9,165,488)	(1,013,862)
Recoveries	(3,596,903)	(3,906,646)	309,743
	9,390,962	8,115,506	1,275,456
Capital			
Gross expenditures	32,652,035	22,078,474	10,573,561
Less: Recoveries	(9,199,499)	(7,168,838)	(2,030,661)
Loan expenditures	(2,241,030)	(4,141,653)	1,900,623
	21,211,506	10,767,983	10,443,523
Total Expenses	<b>30,602,468</b>	<b>18,883,489</b>	<b>11,718,979</b>
<b>Restricted Funds</b>			
Carbon levy rebates	-	-	-
Net expenditures	29,295,902	21,715,205	7,580,697
Amortization Expense	6,168,625	5,469,741	698,884
Total Expenses	<b>35,464,527</b>	<b>27,184,946</b>	<b>8,279,581</b>

## GOVERNMENT OF YUKON

Schedule 3

**Non-Consolidated Comparative Schedule of Expenses  
for the year ended March 31, 2024**

	2023-24	2022-23	Increase (Decrease)
<b>Totals</b>			
Operation and Maintenance	\$ 1,605,682,387	\$ 1,453,830,348	\$ 151,852,039
Capital	461,472,319	494,938,095	(33,465,776)
	2,067,154,706	1,948,768,443	118,386,263
Less: Acquisition of tangible capital assets	(250,574,434)	(267,025,861)	16,451,427
Land development costs transferred to land inventory	(23,179,145)	(17,918,364)	(5,260,781)
Loan advances transferred to loans receivable	(1,544,276)	(1,853,833)	309,557
Lease payments for leased tangible capital assets transferred to liabilities	(472,766)	(1,148,003)	675,237
	1,791,384,085	1,660,822,382	130,561,703
Cost of land sold	16,060,350	8,084,483	7,975,867
ARO Accretion Expense	1,665,235	1,586,973	78,262
Amortization Expense	62,790,141	58,203,988	4,586,153
Other expenses not appropriated	133,774,844	31,771,967	102,002,877
	<b>\$ 2,005,674,655</b>	<b>\$ 1,760,469,793</b>	<b>\$ 245,204,862</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation					Under (Over)
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Estimates
Yukon Legislative Assembly						
Operation and maintenance						
Legislative services	\$ 4,277,000	\$ (126,000)	\$ -	\$ 4,151,000	\$ 4,071,921	\$ 79,079
Legislative Assembly Office	1,209,000	26,000	-	1,235,000	1,155,333	79,667
Retirement Allowances and Death Benefits	1,706,000	-	-	1,706,000	422,642	1,283,358
Hansard	701,000	-	-	701,000	651,667	49,333
Conflicts Commission	53,000	-	-	53,000	68,491	(15,491)
	7,946,000	(100,000)	-	7,846,000	6,370,054	1,475,946
Capital						
Legislative Assembly Office	60,000	143,000	-	203,000	202,866	134
Less: acquisition of tangible capital assets	-	(143,000)	-	(143,000)	(143,000)	-
	60,000	-	-	60,000	59,866	134
Amortization expense	-	-	-	-	14,300	(14,300)
Total expenses	8,006,000	(100,000)	-	7,906,000	6,444,220	1,461,780
Elections Office						
Operation and maintenance						
Chief Electoral Office	773,000	18,000	-	791,000	728,251	62,749
Elections Administration	40,000	-	-	40,000	12,103	27,897
Elections Education Act	40,000	-	-	40,000	26,903	13,097
Electoral District Boundaries Commission	1	-	-	1	54,723	(54,722)
	853,001	18,000	-	871,001	821,980	49,021
Capital						
Office Furniture and Equipment	5,000	-	-	5,000	-	5,000
Total expenses	858,001	18,000	-	876,001	821,980	54,021

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation					
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Under (Over) Estimates
<b>Office of the Ombudsman</b>						
Operation and maintenance						
Office of the Ombudsman	\$ 1,352,000	\$ 40,000	\$ -	\$ 1,392,000	\$ 1,413,244	\$ (21,244)
Information & Privacy Commissioner	162,000	-	-	162,000	133,174	28,826
Public Interest Disclosure Commissioner	52,000	-	-	52,000	40,590	11,410
	<b>1,566,000</b>	<b>40,000</b>	<b>-</b>	<b>1,606,000</b>	<b>1,587,008</b>	<b>18,992</b>
Capital						
Office of the Ombudsman	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>3,000</b>	<b>-</b>
Amortization expense	12,000	-	-	12,000	10,664	1,336
Total expenses	1,581,000	40,000	-	1,621,000	1,600,672	20,328
<b>Child and Youth Advocate Office</b>						
Operation and maintenance						
Child and Youth Advocate Office	<b>876,000</b>	<b>24,000</b>	<b>-</b>	<b>900,000</b>	<b>899,764</b>	<b>236</b>
Capital						
Child and Youth Advocate Office	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>
Less: acquisition of tangible capital assets	-	-	-	-	-	-
	2,000	-	-	2,000	2,000	-
Amortization expense	-	-	-	-	-	-
Total expenses	878,000	24,000.00	-	902,000	901,764	236

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>			<b>Revised Estimates</b>	<b>Actual</b>	<b>Under (Over) Estimates</b>
	<b>Main Estimates</b>	<b>Supplementary Estimates</b>	<b>Transfers</b>			
<b>Executive Council Office</b>						
Operation and maintenance						
Strategic corporate services	\$ 4,077,000	\$ 377,000	\$ -	\$ 4,454,000	\$ 4,914,002	\$ (460,002)
Aboriginal relations	9,577,000	2,371,000	-	11,948,000	10,764,876	1,183,125
Corporate programs and intergovernmental relations	7,538,000	697,000	-	8,235,000	8,263,697	(28,697)
Government internal audit services	596,000	8,000	-	604,000	513,072	90,928
Office of the Commissioner	374,000	13,000	-	387,000	295,837	91,163
Cabinet Offices	3,431,000	88,000	-	3,519,000	3,626,201	(107,201)
COVID-19 Response	-	189,000	-	189,000	108,535	80,465
	<b>25,593,000</b>	<b>3,743,000</b>	<b>-</b>	<b>29,336,000</b>	<b>28,486,220</b>	<b>849,780</b>
Capital						
Strategic corporate services	<b>15,000</b>	-	-	<b>15,000</b>	<b>11,608</b>	<b>3,392</b>
Amortization expense	7,000	-	-	7,000	1,999	5,001
Total expenses	25,615,000	3,743,000	-	29,358,000	28,499,827	858,173

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Community Services</b>						
Operation and maintenance						
Corporate services	\$ 5,736,000	\$ 320,000	\$ -	\$ 6,056,000	\$ 6,363,641	\$ (307,641)
Protective services	25,849,000	22,360,000	-	48,209,000	43,237,213	4,971,787
Community development	50,563,000	2,410,000	-	52,973,000	52,804,465	168,535
Corporate policy and consumer affairs	-	-	-	-	-	-
Regulatory and Consumer Services	13,486,000	564,000	-	14,050,000	13,404,787	645,213
	<b>95,634,000</b>	<b>25,654,000</b>	<b>-</b>	<b>121,288,000</b>	<b>115,810,106</b>	<b>5,477,894</b>
Capital						
Corporate services	-	-	-	-	6,022	(6,022)
Protective services	3,015,000	486,000	-	3,501,000	4,155,804	(654,804)
Community development	94,075,000	(12,725,000)	-	81,350,000	78,477,076	2,872,924
Regulatory and Consumer Services	3,787,000	(1,000,000)	-	2,787,000	1,875,582	911,418
Corporate policy and consumer affairs	-	-	-	-	-	-
	<b>100,877,000</b>	<b>(13,239,000)</b>	<b>-</b>	<b>87,638,000</b>	<b>84,514,484</b>	<b>3,123,516</b>
Less: Acquisition of tangible capital assets	(6,265,000)	(8,122,000)	-	(14,387,000)	(13,185,252)	(1,201,748)
Land development costs transferred to land inventory	(23,694,000)	-	-	(23,694,000)	(31,505,043)	7,811,043
Local improvement costs transferred to loans receivable	(3,717,000)	1,000,000	-	(2,717,000)	(1,544,276)	(1,172,724)
	<b>67,201,000</b>	<b>(20,361,000)</b>	<b>-</b>	<b>46,840,000</b>	<b>38,279,913</b>	<b>8,560,087</b>
Land inventory adjustment	-	-	-	-	8,395,478	(8,395,478)
Cost of land sold	32,085,000	-	-	32,085,000	16,060,350	16,024,650
Amortization expense	5,581,000	-	-	5,581,000	4,476,556	1,104,444

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation					
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Under (Over) Estimates
<b>Community Services</b>						
Bad debt expense	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ 591,590	\$ (575,590)
Municipal landfills	-	-	-	-	6,440,776	(6,440,776)
ARO accretion expense	509,000	(95,000)	-	414,000	411,919	2,081
Total expenses	201,026,000	5,198,000	-	206,224,000	190,466,688	24,152,790
<b>Economic Development</b>						
Operation and maintenance						
COVID-19 Response	-	-	-	-	190,353	(190,353)
Corporate services	3,922,000	181,000	-	4,103,000	3,562,974	540,026
Operations	22,552,000	2,364,000	-	24,916,000	24,536,951	379,049
	<b>26,474,000</b>	<b>2,545,000</b>	<b>-</b>	<b>29,019,000</b>	<b>28,290,278</b>	<b>728,722</b>
Capital						
Corporate services	40,000	-	-	40,000	43,073	(3,073)
Operations	959,000	(839,000)	-	120,000	90,433	29,567
	<b>999,000</b>	<b>(839,000)</b>	<b>-</b>	<b>160,000</b>	<b>133,506</b>	<b>26,494</b>
Less: Acquisition of tangible capital assets	-	-	-	-	-	-
	999,000	(839,000)	-	160,000	133,506	26,494.00
Amortization expense	46,000	-	-	46,000	-	46,000
Total expenses	27,519,000	1,706,000	-	29,225,000	28,423,784	801,216

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>					
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Under (Over) Estimates
<b>Education</b>						
Operation and maintenance						
Education support services	\$ 6,960,000	\$ (423,000)	\$ -	\$ 6,537,000	\$ 5,590,040	\$ 946,960
School authorities	123,248,000	4,577,000	-	127,825,000	133,045,171	(5,220,171)
Administration and support	13,451,000	1,323,000	-	14,774,000	15,808,392	(1,034,392)
Policy and partnerships	63,572,000	1,307,000	-	64,879,000	60,299,821	4,579,179
Yukon University	29,293,000	1,082,000	-	30,375,000	30,375,316	(316)
First Nations initiatives	7,631,000	10,000	-	7,641,000	6,214,441	1,426,559
	<b>244,155,000</b>	<b>7,876,000</b>	<b>-</b>	<b>252,031,000</b>	<b>251,333,181</b>	<b>697,819</b>
<b>Capital</b>						
School authorities	33,691,000	(1,765,000)	-	31,926,000	32,052,715	(126,715)
Policy and partnerships	515,000	-	-	515,000	126,359	388,641
Yukon University	1,100,000	-	-	1,100,000	1,100,000	-
	<b>35,306,000</b>	<b>(1,765,000)</b>	<b>-</b>	<b>33,541,000</b>	<b>33,279,074</b>	<b>261,926</b>
Less: acquisition of tangible capital assets	(26,500,000)	2,296,000	-	(24,204,000)	(24,635,285)	431,285
	<b>8,806,000</b>	<b>531,000</b>	<b>-</b>	<b>9,337,000</b>	<b>8,643,789</b>	<b>693,211.00</b>
ARO accretion expense	529,000	69,000	-	598,000	598,696	(696)
Amortization expense	8,340,000	-	-	8,340,000	6,482,223	1,857,777
	<b>8,869,000</b>	<b>69,000</b>	<b>-</b>	<b>8,938,000</b>	<b>7,080,919</b>	<b>1,857,081</b>
Write-down/disposal of tangible capital assets	-	-	-	-	2,433	(2,433)
<b>Total expenses</b>	<b>261,830,000</b>	<b>8,476,000</b>	<b>-</b>	<b>270,306,000</b>	<b>267,060,322</b>	<b>3,245,678</b>



## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Energy, Mines and Resources</b>						
Operation and maintenance						
Corporate services	\$ 13,321,000	\$ 713,000	\$ -	\$ 14,034,000	\$ 14,133,000	\$ (99,000)
Sustainable resources	13,163,000	992,000	-	14,155,000	12,976,463	1,178,537
Mineral Resources and Geoscience Services	34,592,000	19,187,000	-	53,779,000	50,297,066	3,481,934
Strategic Initiatives and partnerships	18,843,000	6,987,000	-	25,830,000	26,185,360	(355,360)
	<b>79,919,000</b>	<b>27,879,000</b>	<b>-</b>	<b>107,798,000</b>	<b>103,591,889</b>	<b>4,206,111</b>
Capital						
Corporate services	1,815,000	(150,000)	-	1,665,000	1,402,883	262,117
Sustainable resources	548,000	-	-	548,000	300,913	247,087
	<b>2,363,000</b>	<b>(150,000)</b>	<b>-</b>	<b>2,213,000</b>	<b>1,703,796</b>	<b>509,204</b>
Less: Acquisition of tangible capital assets	(2,033,000)	150,000	-	(1,883,000)	(1,488,814)	(394,186)
Land development costs transferred to land inventory	(250,000)	-	-	(250,000)	(63,633)	(186,367)
	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>80,000</b>	<b>151,349</b>	<b>(71,349)</b>
Cost of land sold	-	-	-	-	-	-
ARO accretion expense	23,000	3,000	-	26,000	25,746	254
Amortization expense	687,000	-	-	687,000	787,372	(100,372)
	<b>710,000</b>	<b>3,000</b>	<b>-</b>	<b>713,000</b>	<b>813,118</b>	<b>(100,118)</b>
Environmental liabilities (net)	(2,425,000)	-	-	(2,425,000)	75,966,236	(78,391,236)
Total expenses	<b>78,284,000</b>	<b>27,882,000</b>	<b>-</b>	<b>106,166,000</b>	<b>180,522,592</b>	<b>(74,356,592)</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Environment</b>						
Operation and maintenance						
Corporate services	\$ 19,632,000	\$ 1,145,000	\$ -	\$ 20,777,000	\$ 21,435,590	\$ (658,590)
Environmental sustainability	30,591,000	2,420,000	-	33,011,000	33,756,561	(745,561)
Environmental liabilities and remediation	7,204,000	54,000	-	7,258,000	4,095,038	3,162,962
	<b>57,427,000</b>	<b>3,619,000</b>	<b>-</b>	<b>61,046,000</b>	<b>59,287,189</b>	<b>1,758,811</b>
Capital						
Corporate services	1,141,000	(177,000)	-	964,000	1,497,976	(533,976)
Environmental sustainability	2,890,000	-	-	2,890,000	2,008,269	881,731
	<b>4,031,000</b>	<b>(177,000)</b>	<b>-</b>	<b>3,854,000</b>	<b>3,506,245</b>	<b>347,755</b>
Less: acquisition of tangible capital assets	(2,390,000)	177,000	-	(2,213,000)	(2,427,736)	214,736
	<b>1,641,000</b>	<b>-</b>	<b>-</b>	<b>1,641,000</b>	<b>1,078,509</b>	<b>562,491</b>
ARO accretion expense	13,000	1,000	-	14,000	14,374	(374)
Amortization expense	685,000	-	-	685,000	882,202	(197,202)
	<b>698,000</b>	<b>1,000</b>	<b>-</b>	<b>699,000</b>	<b>896,577</b>	<b>(197,577)</b>
Environmental liabilities (net)	(4,181,000)	-	-	(4,181,000)	18,898,510	(23,079,510)
Total expenses	<b>55,585,000</b>	<b>3,620,000</b>	<b>-</b>	<b>59,205,000</b>	<b>80,160,786</b>	<b>(20,955,786)</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>			<b>Revised Estimates</b>	<b>Actual</b>	<b>Under (Over) Estimates</b>
	<b>Main Estimates</b>	<b>Supplementary Estimates</b>	<b>Transfers</b>			
<b>Finance</b>						
Operation and maintenance						
Corporate services	\$ 1,210,000	\$ 22,000	\$ -	\$ 1,232,000	\$ 1,494,590	\$ (262,590)
Financial operations and revenue services	4,252,000	2,573,000	-	6,825,000	6,413,632	411,368
Economics, fiscal policy and statistics	2,788,000	120,000	-	2,908,000	2,667,251	240,749
Management board secretariat	2,157,000	15,000	-	2,172,000	1,916,083	255,917
Office of the Comptroller	1,232,000	45,000	-	1,277,000	1,413,401	(136,401)
Workers' compensation supplementary benefits	275,000	-	-	275,000	201,589	73,411
	<b>11,914,000</b>	<b>2,775,000</b>	<b>-</b>	<b>14,689,000</b>	<b>14,106,546</b>	<b>582,454</b>
Capital						
Corporate services	32,000	-	-	32,000	26,552	5,448
	<b>32,000</b>	<b>-</b>	<b>-</b>	<b>32,000</b>	<b>26,552</b>	<b>5,448</b>
Amortization expense	115,000	-	-	115,000	166,983	(51,983)
Bad debt expense	48,000	-	-	48,000	489,395	(441,395)
Transfers through the tax system	2,212,000	29,000	-	2,241,000	2,076,800	164,200
Total expenses	14,321,000	2,804,000	-	17,125,000	16,866,276	258,724

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>			<b>Revised Estimates</b>	<b>Actual</b>	<b>Under (Over) Estimates</b>
	<b>Main Estimates</b>	<b>Supplementary Estimates</b>	<b>Transfers</b>			
<b>French Language Services Directorate</b>						
Operation and maintenance						
French language services	\$ 6,805,000	\$ 758,000	\$ -	\$ 7,563,000	\$ 7,281,066	\$ 281,934
<b>Health and Social Services</b>						
Operation and maintenance						
Innovation, Quality and Performance	132,374,000	38,126,000	-	170,500,000	168,682,230	1,817,770
Corporate services	27,149,000	5,697,000	-	32,846,000	33,018,970	(172,970)
Social Services	98,494,000	6,846,000	-	105,340,000	105,675,038	(335,038)
Community and primary care	70,925,000	9,869,000	-	80,794,000	78,924,645	1,869,355
Continuing care	89,723,000	7,516,000	-	97,239,000	98,063,244	(824,244)
Yukon hospital services	93,637,000	29,619,000	-	123,256,000	122,999,317	256,683
	<b>512,302,000</b>	<b>97,673,000</b>	<b>-</b>	<b>609,975,000</b>	<b>607,363,444</b>	<b>2,611,556</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation						Under (Over)
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual		Estimates
Health and Social Services							
Capital							
Corporate services	\$ 2,747,000	\$ (157,000)	\$ -	\$ 2,590,000	\$ 1,491,748	\$	1,098,252
Social Services	70,000	-	-	70,000	-		70,000
Community and primary care	628,000	2,618,000	-	3,246,000	2,600,442		645,558
Continuing care	288,000	-	-	288,000	312,810		(24,810)
Yukon hospital services	12,200,000	-	-	12,200,000	10,330,805		1,869,195
	15,933,000	2,461,000	-	18,394,000	14,735,806		3,658,194
Less: acquisition of tangible capital assets	(1,348,000)	(2,461,000)	-	(3,809,000)	(3,099,027)		(709,973)
	14,585,000	-	-	14,585,000	11,636,778		2,948,222
ARO accretion expense	81,000	(7,000)	-	74,000	76,833		(2,833)
Amortization expense	8,113,000	-	-	8,113,000	7,371,111		741,889
	8,194,000	(7,000)	-	8,187,000	7,447,944		739,056
Total expenses	535,081,000	97,666,000	-	632,747,000	626,448,166		6,298,834

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Highways and Public Works</b>						
Operation and maintenance						
Corporate services	\$ 15,143,000	\$ 646,000	\$ -	\$ 15,789,000	\$ 13,535,415	\$ 2,253,585
Information and communications technology	25,720,000	683,000	-	26,403,000	25,897,019	505,981
Transportation	67,845,000	5,887,000	-	73,732,000	77,173,903	(3,441,903)
Property management	47,740,000	3,627,000	-	51,367,000	52,017,658	(650,658)
Capital planning	3,595,000	(615,000)	-	2,980,000	1,613,495	1,366,505
	<b>160,043,000</b>	<b>10,228,000</b>	<b>-</b>	<b>170,271,000</b>	<b>170,237,490</b>	<b>33,510</b>
Less: lease payments for leased tangible capital assets transferred to liabilities	(473,000)	-	-	(473,000)	(472,766)	(234)
	159,570,000	10,228,000	-	169,798,000	169,764,724	33,276
Capital						
Information and communications technology	14,245,000	(350,000)	-	13,895,000	13,770,054	124,946
Transportation	161,971,000	11,692,000	-	173,663,000	173,212,289	450,711
Property management	39,026,000	12,199,000	-	51,225,000	50,641,818	583,182
Capital planning	35,361,000	9,896,000	-	45,257,000	46,411,808	(1,154,808)
	<b>250,603,000</b>	<b>33,437,000</b>	<b>-</b>	<b>284,040,000</b>	<b>284,035,969</b>	<b>4,031</b>
Less: acquisition of tangible capital assets	(159,531,000)	(37,263,000)	-	(196,794,000)	(204,760,559)	7,966,559
	91,072,000	(3,826,000)	-	87,246,000	79,275,409	7,970,591
ARO accretion expense	436,000	25,000	-	461,000	457,555	3,445
Amortization expense	32,185,000	-	-	32,185,000	33,459,215	(1,274,215)
	32,621,000	25,000	-	32,646,000	33,916,770	(1,270,770)
Write-down/disposal loss of tangible capital assets	-	-	-	-	7,254	(7,254)
Rental expense recognized from prepaid expenses	8,000	-	-	8,000	-	8,000
Total expenses	283,271,000	6,427,000	-	289,698,000	282,964,157	6,733,843

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Justice</b>						
Operation and maintenance						
Corporate services	\$ 5,200,000	\$ 3,399,000	\$ -	\$ 8,599,000	\$ 7,564,093	\$ 1,034,907
Court services	8,275,000	1,156,000	-	9,431,000	6,814,002	2,616,998
Legal services	12,773,000	(1,544,000)	-	11,229,000	11,553,101	(324,101)
Regulatory services	4,826,000	994,000	-	5,820,000	5,536,773	283,227
Community justice and public safety	59,820,000	7,073,000	-	66,893,000	67,854,128	(961,128)
Human rights	756,000	150,000	-	906,000	904,190	1,810
	<b>91,650,000</b>	<b>11,228,000</b>	<b>-</b>	<b>102,878,000</b>	<b>100,226,287</b>	<b>2,651,713</b>
Capital						
Corporate services	511,000	(116,000)	-	395,000	300,485	94,515
Court services	80,000	-	-	80,000	26,235	53,765
Community justice and public safety	3,685,000	-	-	3,685,000	3,473,503	211,497
	<b>4,276,000</b>	<b>(116,000)</b>	<b>-</b>	<b>4,160,000</b>	<b>3,800,223</b>	<b>359,777</b>
Less: acquisition of tangible capital assets	(715,000)	95,000	-	(620,000)	(345,954)	(274,046)
	<b>3,561,000</b>	<b>(21,000)</b>	<b>-</b>	<b>3,540,000</b>	<b>3,454,270</b>	<b>85,730</b>
ARO accretion expense	31,000	19,000	-	50,000	50,168	(168)
Amortization expense	3,063,000	-	-	3,063,000	1,937,789	1,125,211
	<b>3,094,000</b>	<b>19,000</b>	<b>-</b>	<b>3,113,000</b>	<b>1,987,957</b>	<b>1,125,043</b>
Total expenses	<b>98,305,000</b>	<b>11,226,000</b>	<b>-</b>	<b>109,531,000</b>	<b>105,668,514</b>	<b>3,862,486</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>			<b>Revised Estimates</b>	<b>Actual</b>	<b>Under (Over) Estimates</b>
	<b>Main Estimates</b>	<b>Supplementary Estimates</b>	<b>Transfers</b>			
<b>Public Service Commission</b>						
Operation and maintenance						
Corporate services	\$ 2,569,000	\$ 131,000	\$ -	\$ 2,700,000	\$ 2,422,170	\$ 277,830
Human resource service centre	7,990,000	734,000	-	8,724,000	8,527,070	196,930
People and culture	6,580,000	215,000	-	6,795,000	6,746,628	48,372
Employee relations	5,494,000	48,000	-	5,542,000	5,970,819	(428,819)
Corporate funds	33,308,000	(4,977,000)	-	28,331,000	28,298,075	32,925
	<b>55,941,000</b>	<b>(3,849,000)</b>	<b>-</b>	<b>52,092,000</b>	<b>51,964,762</b>	<b>127,238</b>
Capital						
Corporate services	55,000	-	-	55,000	67,538	(12,538)
People and culture	50,000	-	-	50,000	46,100	3,900
Employee relations	10,000	-	-	10,000	-	10,000
	<b>115,000</b>	<b>-</b>	<b>-</b>	<b>115,000</b>	<b>113,638</b>	<b>1,362</b>
Less: acquisition of tangible capital assets	(42,000)	-	-	(42,000)	(46,100)	4,100
	73,000	-	-	73,000	67,538	5,462
Amortization expense	247,000	-	-	247,000	233,655	13,345
Total expenses	56,261,000	(3,849,000)	-	52,412,000	52,265,955	146,045



## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Tourism and Culture</b>						
Operation and maintenance						
COVID-19 response	\$ 767,000	\$ -	\$ -	\$ 767,000	\$ 752,582	\$ 14,418
Corporate services	2,803,000	121,000	-	2,924,000	3,367,465	(443,465)
Cultural services	15,040,000	418,000	-	15,458,000	15,367,441	90,559
Tourism	13,274,000	265,000	-	13,539,000	13,007,946	531,054
	<b>31,884,000</b>	<b>804,000</b>	<b>-</b>	<b>32,688,000</b>	<b>32,495,434</b>	<b>192,566</b>
Capital						
Corporate services	10,000	-	-	10,000	92,830	(82,830)
Cultural services	1,425,000	(200,000)	-	1,225,000	982,976	242,024
Tourism	1,267,000	-	-	1,267,000	1,213,684	53,316
	<b>2,702,000</b>	<b>(200,000)</b>	<b>-</b>	<b>2,502,000</b>	<b>2,289,490</b>	<b>212,510</b>
Less: acquisition of tangible capital assets	(350,000)	-	-	(350,000)	(442,707)	92,707
	<b>2,352,000</b>	<b>(200,000)</b>	<b>-</b>	<b>2,152,000</b>	<b>1,846,783</b>	<b>305,217</b>
ARO accretion expense	32,000	(2,000)	-	30,000	29,943	57
Amortization expense	1,177,000	-	-	1,177,000	797,448	379,552
	<b>1,209,000</b>	<b>(2,000)</b>	<b>-</b>	<b>1,207,000</b>	<b>827,391</b>	<b>379,609</b>
Total expenses	<b>35,445,000</b>	<b>602,000</b>	<b>-</b>	<b>36,047,000</b>	<b>35,169,608</b>	<b>877,392</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation			Revised Estimates	Actual	Under (Over) Estimates
	Main Estimates	Supplementary Estimates	Transfers			
<b>Women and Gender Equity Directorate</b>						
Operation and maintenance						
Policy and program development	\$ 3,672,000	\$ 2,165,000	\$ -	\$ 5,837,000	\$ 4,996,097	\$ 840,903
<b>Total expenses</b>	<b>3,672,000</b>	<b>2,165,000</b>	<b>-</b>	<b>5,837,000</b>	<b>4,996,097</b>	<b>840,903</b>
<b>Yukon Development Corporation (Transfer Payment)</b>						
Operation and maintenance						
Inflation relief rebate	5,302,000	-	-	5,302,000	5,302,000	-
Interim electrical rebate	3,500,000	-	-	3,500,000	3,412,629	87,371
Mayo B rate payer support	2,625,000	-	-	2,625,000	2,428,000	197,000
	<b>11,427,000</b>	<b>-</b>	<b>-</b>	<b>11,427,000</b>	<b>11,142,629</b>	<b>284,371</b>
Capital						
Innovative renewable energy initiative	2,000,000	-	-	2,000,000	1,964,650	35,350
Arctic energy fund	5,012,000	(768,000)	-	4,244,000	4,089,994	154,006
Investing in Canada infrastructure program	3,000,000	856,000	-	3,856,000	3,847,912	8,088
Atlin hydro expansion project	2,000,000	-	-	2,000,000	2,000,000	-
	<b>12,012,000</b>	<b>88,000</b>	<b>-</b>	<b>12,100,000</b>	<b>11,902,556</b>	<b>197,444</b>
<b>Total expenses</b>	<b>23,439,000</b>	<b>88,000</b>	<b>-</b>	<b>23,527,000</b>	<b>23,045,185</b>	<b>481,815</b>

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>					
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Under (Over) Estimates
<b>Yukon Housing Corporation (Transfer Payment)</b>						
Operation and maintenance						
Gross expenditures	\$ 22,921,000	\$ 661,000	\$ -	\$ 23,582,000	\$ 23,167,215	\$ 414,785
Less: Rental revenues	(8,891,000)	-	-	(8,891,000)	(10,179,351)	1,288,351
Recoveries	(3,109,000)	-	-	(3,109,000)	(3,596,903)	487,903
	10,921,000	661,000	-	11,582,000	9,390,962	2,191,038
Capital						
Gross expenditures	54,500,000	(19,500,000)	-	35,000,000	32,652,035	2,347,965
Less: Recoveries	(21,469,000)	12,659,000	-	(8,810,000)	(9,199,499)	389,499
Loan expenditures	(8,780,000)	5,472,000	-	(3,308,000)	(2,241,030)	(1,066,970)
	24,251,000	(1,369,000)	-	22,882,000	21,211,507	1,670,494
Total expenses	35,172,000	(708,000)	-	34,464,000	30,602,468	3,861,532

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	Appropriation						Under (Over)
	Main Estimates	Supplementary Estimates	Transfers	Revised Estimates	Actual	Estimates	
Loan Capital and Loan Amortization							
Operation and maintenance							
Loans to third parties	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	
Less loan advances transferred to loans receivable	(5,000,000)	-	-	(5,000,000)	-	(5,000,000)	
Total expenses	-	-	-	-	-	-	
Restricted Funds							
Net expenditures	(2,155,000)	-	-	(2,155,000)	29,295,902	(31,450,902)	
Amortization expense	5,667,000	-	-	5,667,000	6,168,625	(501,625)	
Total expenses	3,512,000	-	-	3,512,000	35,464,527	(31,952,527)	

## GOVERNMENT OF YUKON

Schedule 4

**Non-Consolidated Schedule of Expenses by Department  
for the year ended March 31, 2024**

	<b>Appropriation</b>			<b>Revised Estimates</b>	<b>Actual</b>	<b>Under (Over) Estimates</b>
	<b>Main Estimates</b>	<b>Supplementary Estimates</b>	<b>Transfers</b>			
<b>Totals</b>						
Operation and maintenance	\$ 1,442,002,001	\$ 193,741,000	\$ -	\$ 1,635,743,001	\$ 1,605,682,387	\$ 30,060,614
Capital	462,365,000	12,802,000	-	475,167,000	463,713,349	11,453,651
Less: Acquisition of tangible capital assets	(199,174,000)	(45,128,000)	-	(244,302,000)	(250,574,434)	6,129,434
Land development costs transferred to land held for sale	(23,944,000)	-	-	(23,944,000)	(31,568,676)	7,624,676
Loan advances transferred to loans receivable	(17,497,000)	6,472,000	-	(11,025,000)	(3,785,306)	(7,239,694)
Lease payments for leased tangible capital assets transferred to liabilities	(473,000)	-	-	(473,000)	(472,766)	(234)
Cost of land sold	32,085,000	-	-	32,085,000	16,060,350	16,024,650
Amortization expenses	65,925,000	-	-	65,925,000	62,790,141	3,149,159
ARO accretion expenses	1,654,000	13,000	-	1,667,000	1,665,234	1,766
Other expenses not appropriated	(6,477,000)	29,000	-	(6,448,000)	142,164,375	(133,773,688)
Adjustments	66,165,999	(67,571,000)	-	(1,405,001)	-	(1,405,001)
	<b>\$ 1,822,632,000</b>	<b>\$ 100,358,000</b>	<b>\$ -</b>	<b>\$ 1,922,990,000</b>	<b>\$ 2,005,674,654</b>	<b>\$ (67,974,667)</b>

## GOVERNMENT OF YUKON

Schedule 5

**Non-Consolidated Schedule of Recoveries of Prior Years' Expenses  
for the year ended March 31, 2024**

Department	Over Accruals	Other Recoveries	Total
Health and Social Services	\$ 697,999	\$ 498,709	\$ 1,196,708
Energy, Mines and Resources	469,514	462,758	932,273
Education	77,536	3,074,351	3,151,887
Tourism and Culture	-	355,120	355,120
Economic Development	(82,014)	45,716	(36,298)
Highways and Public Works	825,813	2,810,004	3,635,817
Justice	-	571,012	571,012
Public Service Commission	98,686	35,716	134,402
Women's Directorate	-	(4,006)	(4,006)
Executive Council Office	12,606	189,371	201,977
Community Services	-	162,570	162,570
Finance	-	837,953	837,953
Environment	-	99,432	99,432
Legislative Assembly	749	26,121	26,870
Elections	-	3,500	3,500
Office of the Ombudsman	-	7,983	7,983
Child and Youth Advocate	-	7,300	7,300
	<b>\$ 2,100,888</b>	<b>\$ 9,183,611</b>	<b>\$ 11,284,499</b>

## GOVERNMENT OF YUKON

Schedule 6

**Non-Consolidated Schedule of Restricted Funds  
for the year ended March 31, 2024**

	Recycling Fund	Youth Investment Fund	Health Investment Fund	External Professional Development Fund	Conservation Fund	Road and Airport Equipment Reserve Fund	Queen's Printer Revolving Fund	Vehicle Fleet Revolving Fund	Wildland Fire Suppression Revolving Fund
							CLOSED		CLOSED
Revenues									
Appropriation	\$ 175,000	\$ 102,000	\$ 50,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	5,972,215	-	-	-	-	16,886,720	-	5,922,028	-
	6,147,215	102,000	50,000	25,000	-	16,886,720	-	5,922,028	-
Expenses									
Operating	6,680,963	124,363	-	-	-	15,778,204	-	4,344,015	-
Amortization	-	-	-	-	-	4,273,918	-	1,894,707	-
	6,680,963	124,363	-	-	-	20,052,122	-	6,238,722	-
Net profit (loss) for the year	(533,748)	(22,363)	50,000	25,000	-	(3,165,402)	-	(316,695)	-
Adjustments for the <i>Financial Administration Act</i> requirements									
Acquisition of capital assets	-	-	-	-	-	(5,574,637)	-	(3,813,039)	-
Amortization of capital assets	-	-	-	-	-	4,273,918	-	1,894,707	-
(Gain)Loss on sale of capital assets	-	-	-	-	-	(63,480)	-	2,712	-
Proceeds on sale of capital assets	-	-	-	-	-	63,480	-	89,548	-
Adjustments as per fund limits	-	-	-	-	-	-	-	-	-
Balance at beginning of year	1,612,130	59,591	301,373	134,325	185,453	10,163,864	-	7,345,510	-
Balance at end of year	\$1,078,382	\$ 37,228	\$351,373	\$ 159,325	\$ 185,453	\$ 5,697,742	\$ -	\$ 5,202,743	\$ -

**Non-Consolidated Schedule of Restricted Funds  
for the year ended March 31, 2024**

	Recycling Fund	Youth Investment Fund	Health Investment Fund	External Professional Development Fund	Conservation Fund	Road and Airport Equipment Reserve Fund	Queen's Printer Revolving Fund	Vehicle Fleet Revolving Fund	Wildland Fire Suppression Revolving Fund
Assets and liabilities that are specific to each Fund and included in the Government's assets and liabilities are as follows:									
Assets									
Accounts receivable	\$ 339,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,783	\$ -
Tangible capital assets	-	-	-	-	-	38,242,112	-	8,939,621	-
	339,382	-	-	-	-	38,242,112	-	9,006,404	-
Liabilities									
Accounts payable and accrued liabilities	167,027	-	-	-	-	232,037	-	458,560	-
Accumulated surplus (deficit) of the Funds that are included in the Government's accumulated surplus are as follows:									
Accumulated surplus (deficit)	<u>\$1,078,382</u>	<u>\$ 37,228</u>	<u>\$351,373</u>	<u>\$ 159,325</u>	<u>\$ 185,453</u>	<u>\$43,929,027</u>	<u>\$ -</u>	<u>\$11,633,416</u>	<u>\$ -</u>



## GOVERNMENT OF YUKON

Schedule 6

**Non-Consolidated Schedule of Restricted Funds  
for the year ended March 31, 2024**

	Risk Management Revolving Fund	Assurance Fund	Yukon Historic Resources Fund	Corrections Revolving Fund	Elijah Smith Forest Renewal Fund	Carbon Rebate Revolving Fund	Region Relief and Recovery Revolving Fund	2024 Total	2023 Total
Revenues									
Appropriation	\$ -	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ -	\$ 388,000	\$ 2,639,000
Operating	473	275,930	-	83,573	22,765	30,653,319	452,638	60,269,660	54,219,471
	473	275,930	36,000	83,573	22,765	30,653,319	452,638	60,657,660	56,858,471
Expenses									
Operating	218,720	-	19,144	113,507	-	30,653,319	452,638	58,384,873	52,682,149
Amortization	-	-	-	-	-	-	-	6,168,625	5,469,741
	218,720	-	19,144	113,507	-	30,653,319	452,638	64,553,498	58,151,890
Net profit (loss) for the year	(218,248)	275,930	16,856	(29,934)	22,765	-	-	(3,895,838)	(1,293,419)
Adjustments for the <i>Financial Administration Act</i> requirements									
Acquisition of capital assets	-	-	-	-	-	-	-	(9,387,677)	(2,517,290)
Amortization of capital assets	-	-	-	-	-	-	-	6,168,625	5,469,741
Gain on sale of capital assets	-	-	-	-	-	-	-	(60,768)	232,951
Proceeds on sale of capital assets	-	-	-	-	-	-	-	153,028	237,956
Adjustments as per fund limits	-	-	-	-	-	-	-	-	-
Balance at beginning of year	2,567,285	6,578,036	1,229,173	87,721	279,891	-	-	30,544,351	28,414,411
Balance at end of year	\$ 2,349,037	\$ 6,853,966	\$ 1,246,029	\$ 57,787	\$ 302,656	\$ -	\$ -	\$ 23,521,720	\$ 30,544,351

## GOVERNMENT OF YUKON

Schedule 6

**Non-Consolidated Schedule of Restricted Funds  
for the year ended March 31, 2024**

	Risk Management Revolving Fund	Assurance Fund	Yukon Historic Resources Fund	Corrections Revolving Fund	Elijah Smith Forest Renewal Fund	Carbon Rebate Revolving Fund	Region Relief and Recovery Revolving Fund	2024 Total	2023 Total
Assets and liabilities that are specific to each Fund and included in the Government's assets and liabilities are as follows:									
<b>Assets</b>									
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 437,000	\$ 843,165	\$ 2,760,991
Tangible capital assets	-	-	-	-	-	-	-	47,181,733	44,054,951
	-	-	-	-	-	-	437,000	48,024,898	46,815,941
<b>Liabilities</b>									
Accounts payable and accrued liabilities	1,109,027	-	-	-	-	16,141,954	3,081,034	21,189,638	33,031,029
Accumulated surplus (deficit) of the Funds that are included in the Government's accumulated surplus are as follows:									
Accumulated surplus (deficit)	\$ 2,349,037	\$ 6,853,966	\$ 1,246,029	\$ 57,787	\$ 302,656	\$ -	\$ -	\$ 68,183,678	\$ 72,079,517

## GOVERNMENT OF YUKON

Schedule 7

**Non-Consolidated Schedule of Inventories of Supplies  
for the year ended March 31, 2024**

	Garage Parts and Fuel Inventory Fund	Central Stores Fund	Highway Materials Fund	Fire Management Fuel & Retardant Inventory	2024 Total	2023 Total
Opening inventory	\$ 3,169,763	\$ -	\$ 4,651,092	\$ 2,275,830	\$ 10,096,684	\$ 6,666,995
Add purchases	3,921,854	-	6,552,566	2,349,803	12,824,223	12,522,174
	7,091,617	-	11,203,658	4,625,633	22,920,907	19,189,169
Less: Consumption	3,630,114	-	6,239,076	1,910,329	11,779,519	9,111,951
Inventory adjustments	-	-	-	-	-	(19,465)
Closing inventory	<b>\$ 3,461,503</b>	<b>\$ -</b>	<b>\$ 4,964,582</b>	<b>\$ 2,715,304</b>	<b>\$ 11,141,389</b>	<b>\$ 10,096,684</b>

## GOVERNMENT OF YUKON

Schedule 8

**Non-Consolidated Schedule of Legislated Grants  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual	Under (Over) Estimates
<b>Community Services</b>				
Comprehensive municipal grants	\$ 22,241,000	\$ 22,241,000	\$ 22,241,006	\$ (6)
Community recreation assistance grants	818,000	818,000	818,041	(41)
In-lieu of property taxes	10,959,000	10,959,000	9,990,855	968,145
Home owner grants	4,355,000	4,355,000	4,268,854	86,146
	<b>38,373,000</b>	<b>38,373,000</b>	<b>37,318,756</b>	<b>1,054,244</b>
<b>Education</b>				
Post secondary student grants	5,034,000	5,034,000	5,713,554	(679,554)
Child care subsidies	551,000	551,000	596,224	(45,224)
Student transportation	116,000	116,000	76,989	39,011
Student accommodation (boarding subsidy)	30,000	30,000	17,880	12,120
	<b>5,731,000</b>	<b>5,731,000</b>	<b>6,404,647</b>	<b>(673,647)</b>
<b>Finance</b>				
Workers' compensation supplementary benefits	275,000	275,000	201,589	73,411
	<b>275,000</b>	<b>275,000</b>	<b>201,589</b>	<b>73,411</b>
<b>Health and Social Services</b>				
Social assistance - Whitehorse	19,469,000	19,169,000	18,874,551	294,449
Social assistance - region	3,293,000	3,593,000	3,257,584	335,416
Medical travel subsidies	2,950,000	4,250,000	4,515,601	(265,601)
Yukon seniors' income supplement	2,771,000	3,746,000	3,246,709	499,291
Pioneer utility grant	1,946,000	2,676,000	2,493,451	182,549
Adoption subsidies	180,000	180,000	8,303	171,697
	<b>30,609,000</b>	<b>33,614,000</b>	<b>32,396,199</b>	<b>1,217,801</b>
<b>Total appropriated</b>	<b>74,988,000</b>	<b>77,993,000</b>	<b>76,321,191</b>	<b>1,671,809</b>

## GOVERNMENT OF YUKON

Schedule 8

**Non-Consolidated Schedule of Legislated Grants  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual	Under (Over) Estimates
<b>Finance</b>				
Yukon child benefit	\$ 1,545,000	\$ 1,496,000	\$ 1,357,884	\$ 138,116
Research and development tax credit	610,000	690,000	655,344	34,656
Children's fitness tax credit	57,000	55,000	63,572	(8,572)
Total transfers through the tax system	<b>2,212,000</b>	<b>2,241,000</b>	<b>2,076,800</b>	<b>164,200</b>
	<b>\$ 77,200,000</b>	<b>\$ 80,234,000</b>	<b>\$ 78,397,991</b>	<b>\$ 1,836,009</b>

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>Executive Council Office</b>				
<u>Other transfer payments</u>				
Strategic Corporate Services				
Aboriginal relations				
Implementation initiatives - board and councils	\$ 4,526,167	\$ 4,526,167		\$ 3,858,748
- Yukon Land Use Planning Commission			748,968	
- Yukon Fish and Wildlife Management Board			661,255	
- Dawson Planning Commission			362,334	
- Yukon Heritage Resources Board			253,235	
- Teslin Renewable Resources Council			184,951	
- Dawson District Renewable Resources Council			180,693	
- Mayo District Renewable Resources Council			180,693	
- Alsek Renewable Resources Council			172,783	
- Carcross/Tagish Renewable Resources Council			172,783	
- Carmacks Renewable Resources Council			172,783	
- Dän Keyi Renewable Resources Council			172,783	
- Laberge Renewable Resources Council			172,783	
- North Yukon Renewable Resources Council			161,034	
- Selkirk Renewable Resources Council			172,783	
- Yukon Geographical Place Names Board			88,887	
Various First Nations Other	125,000	125,000		-
Council for Yukon First Nations	650,000	980,000	784,300	784,300
Youth Program Funding	2,306,950	2,306,950		2,218,828
- Bringing Youth Towards Equality Society			384,000	
- Boys and Girls Club of Yukon			479,140	
- Youth of Today Society			359,749	
- Heart of Riverdale Community Centre			378,000	
- Youth Investment Fund			102,000	
- Association franco-yukonnaise			32,860	
- Various youth groups			483,079	
Intergovernmental Relations				
- Arctic Inspiration Prize	100,000	100,000	100,000	100,000
- University of Alberta	100,000	100,000	100,000	100,000
- Yukon University	100,000	100,000	135,000	135,000
Office of the Commissioner				
- Commissioner's Entertainment Allowance	5,000	5,000	5,260	5,260
COVID-19 Response	-	189,000	72,386	72,386
Miscellaneous Transfer Payment	-	50,000	62,500	62,500
Various transfer payments less than \$10,000	-	-	-	2,600
<b>Total other government transfers</b>	<b>7,913,117</b>	<b>8,482,117</b>		<b>7,339,622</b>

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Community Services</b>			
<u>Funding programs</u>			
Sport	\$ 3,193,000	\$ 3,293,000	\$ 3,587,100
Community recreation/active living	1,230,000	1,807,000	1,776,401
Fire management - FireSmart	850,000	850,000	849,356
	<u>5,273,000</u>	<u>5,950,000</u>	<u>6,212,857</u>
<u>Other transfer payments</u>			
Small Communities Fund	9,051,000	8,055,000	5,031,041
Investing in Canada Infrastructure Program	44,122,000	24,534,000	19,465,974
Clean Water Wastewater Fund	102,000	102,000	54,170
Community Library Boards	501,000	501,000	482,146
- Watson Lake Library Board			76,665
- Dawson City Library Board			69,349
- Carcross Library Board			44,690
- Haines Junction Library Board			57,411
- Carmacks Library Board			35,313
- Teslin Library Board			41,879
- Mayo Library Board			32,670
- Faro Library Board			28,752
- Beaver Creek Library Board			18,704
- Tagish Library Board			30,559
- Burwash Landing			9,889
- Ross River Library Board			12,673
- Pelly Crossing Library Board			23,592
Municipal ground water monitoring	290,000	290,000	238,842
- Town of Watson Lake			25,626
- Village of Carmacks			48,300
- Village of Mayo			65,845
- Various recipients			99,071
Solid waste - landfill agreements	328,000	328,000	229,447
- Vuntut Gwitchin First Nation			75,220
- City of Dawson			96,825
- Haines Junction			7,402
- Town of Watson Lake			50,000
Association of Yukon Communities	100,000	100,000	150,433

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Community Services</b>			
<u>Other transfer payments (continued)</u>			
Community/Local Advisory Council - operation and maintenance	\$ 72,000	\$ 72,000	\$ 75,448
- Hamlet of Mount Lorne			16,206
- Marsh Lake Local Advisory Council			16,206
- South Klondike Local Advisory Council			16,206
- Tagish Area Advisory Committee			16,206
- Hamlet of Ibex Valley			15,840
Volunteer Benevoles Yukon Society	67,000	67,000	67,000
Emergency Management Organization	-	-	27,510
Recreation/Community Centres - Various	125,000	125,000	
- Selkirk First Nation			13,407
- Tagish Community Association			16,451
- Liard First Nation			22,870
- Lorne Mountain Community Association			7,462
- Marsh Lake Community Society			5,708
- Carcross Recreation Board			24,649
- Mendenhall Community			10,495
- Recreation & Parks Association			13,052
- Grapple Yukon Association			10,906
Fire management			
- Research & Beat the Heat Training Camp	70,000	70,000	50,000
- Yukon First Nations Wildfire - Unit Crew Training & Capacity	-	125,000	121,422
- Emergency Management Assistance Program (EMAP)	400,000	400,000	380,000
- YG led fuel management and fire mitigation projects			205,382
Fire & Life Safety			22,200
Land Development - Residential - Rural	-	-	
- WHSE Copper Ridge 519&520			41,881
- WHSE Ice Lake South IND/COMM			43,228
- WHSE Study/Research			10,500
Flood Relief Program	-	600,000	22,093
Canada Community Building Fund	1,262,000	1,262,000	26,850
Whitehorse Escarpment Slides Response	-	-	746,474
Various transfer payments less than \$10,000	-	-	-
	56,490,000	36,631,000	27,617,041
<b>Total other government transfers</b>	<b>61,763,000</b>	<b>42,581,000</b>	<b>33,829,898</b>



**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Economic Development</b>			
<u>Funding programs</u>			
Community development fund	\$ 2,950,000	\$ 2,950,000	\$ 2,912,247
Economic Development Fund	1,960,000	1,960,000	1,916,465
Film & Sound incentive programs	1,460,000	2,195,000	2,196,780
Labour market development agreement	2,842,000	2,842,000	3,567,956
Workforce development agreement	976,000	976,000	1,145,042
Skills for success	1,136,000	1,136,000	700,000
Foundational skills	876,000	876,000	1,068,198
Community training fund	677,000	677,000	582,057
	<u>12,877,000</u>	<u>13,612,000</u>	<u>14,088,745</u>
<u>Other transfer payments</u>			
COVID-19 Response			
- Paid Sick Leave Rebate Employee Phase 3	-	-	19,205
Whispering Willows Records Inc - Resort Development	-	-	40,000
Yukon Anti Poverty Coalition - Seniors Engagement Services	-	-	69,574
Yukon First Nation Teleco LTD - Telecom Asset Acquisition	-	-	100,000
Business and industry development	114,000	114,000	
Paid Sick Leave Rebate - Employee & Self Employed Phase 4	750,000	750,000	596,204
Municipality of Skagway			95,065
- Marine service platform 90% to 100% final design			95,065
Yukon Gold Mining Alliance	397,000	397,000	303,160
- Yukon exploration & mining investment attraction			303,160
Yukon First Nations Chamber of Commerce	125,000	125,000	205,615
- Operational support			150,500
- Outreach Officer			40,115
- AICC Sponsorship			15,000
Whitehorse Chamber of Commerce	120,000	120,000	179,953
- Operational support			179,953
Yukon Chamber of Commerce, The	75,000	75,000	110,000
- Operational support			110,000
Yukon Chamber of Mines, The	-	-	75,000
- Operational support			75,000
Dana Naye Ventures	35,000	35,000	26,736
- Micro Loan Program			26,736
Media Development	23,000	23,000	20,000
- Wolf Spirit Films			20,000
Music Yukon	95,000	95,000	113,500
- Operational Support			113,500

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Economic Development</b>			
<u>Other transfer payments (continued)</u>			
Screen Production Yukon Association	\$ 65,000	\$ 65,000	\$ 118,694
- Operational support			118,694
Regional Economic Development	50,000	50,000	232,500
- Hospice Yukon			80,000
- Chu Niiikwan Ltd - Project Management Capacity			37,500
- Porter Creek Secondary School - Njel Construction			90,000
- Village of Teslin - Mentoring Pilot Project			25,000
Temporary Landlord Assistance Program	-	1,014,000	842,803
Yukon University			
- Innovation and Entrepreneurship	835,000	835,000	835,000
- Yukon Innovation Prize	155,000	155,000	-
Yukonstruct Society	250,000	250,000	290,000
- Operational Support			280,000
- Hall of Innovators - Awards Gala			10,000
Technology and Innovation Projects	180,000	180,000	184,200
- Envirocare - Environmental Sustainability Awards Design			104,200
- Mitacs Inc - Research Projects			80,000
Yukon Information Technology Industry Society (YITIS)	125,000	125,000	216,786
- Operational Support			216,786
Labour Market Development	-	-	92,285
- Cultural Industries Training Fund			72,527
- Replic8 Technologies Inc			19,758
Employment Incentives	-	300,000	-
Various transfer payments less than \$10,000			26,559
	3,394,000	4,708,000	4,792,839
<b>Total other government transfers</b>	<b>16,271,000</b>	<b>18,320,000</b>	<b>18,881,584</b>
<b>Education</b>			
<u>Funding programs</u>			
Labour market development agreement	2,500,000	2,300,000	2,461,618
Workforce development agreement	350,000	550,000	438,872
Universal Child Care	30,318,000	30,318,000	27,197,159
Community training fund	713,000	713,000	270,148
Student training and employment program	366,000	366,000	287,969
Yukon summer program	114,000	114,000	104,145
	34,361,000	34,361,000	30,759,911

## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Education</b>			
<u>Other transfer payments</u>			
Yukon University			
- Operational Funding	\$ 25,441,000	\$ 26,523,000	\$ 26,523,536
- Yukon Research Centre	1,386,000	1,386,000	1,386,000
- Centre for Northern Innovation in Mining	1,200,000	1,200,000	1,200,000
- Licensed Practical Nurse Program	741,000	741,000	740,780
- Northern Institute of Social Justice	450,000	450,000	450,000
- Youth Exploring Trades	75,000	75,000	75,000
- Furniture and Equipment Upgrade	100,000	100,000	100,000
- Campus and Housing Upgrades	300,000	300,000	300,000
- Information Technology Equipment and System	700,000	700,000	700,000
- Early Childhood Development Certificates	-	-	648,029
- Rural Education Opportunities ELCC Workers	-	-	-
Yukon First Nation School Board			
- Operations and Maintenance	3,998,000	3,333,000	9,931,927
- Capital	-	39,000	39,494
Commission scolaire francophone du Yukon			
- Operations and Maintenance	1,718,000	2,086,000	1,678,503
- Capital Repairs	19,000	19,000	27,788
- School-based Information Technology	-	71,000	70,000
Council of Yukon First Nations			
- Native Language Program	1,195,000	1,195,000	1,075,193
Yukon First Nations Education Directorate			
- Education Initiative	735,000	735,000	735,000
First Nation Education Agreements	1,510,000	1,705,000	1,545,630
Special Payments for Education-related events/student activities	210,000	210,000	-
- Big Brothers & Big Sisters of Yukon			199,389
- Dawson City Arts Society			21,222
- Friends of Mount Sima Society			11,000
- Growers of Organic Food Yukon			17,200
- Nakai Theatre Ensemble			13,549
- Taking it Global Youth			15,000
- Yukon Arts Society			25,000
- Yukon Stikine Regional Science			27,092
- Yukon Wildlife Preserve			10,540
- Various recipients			26,756
Remuneration school councils/committees	257,000	257,000	32,030
- Porter Creek Secondary School Council			11,200
- FH Collins SR Secondary School Council			12,120
- Jack Hulland School Council			15,371
- Association of Yukon School Councils Boards & Committees			97,255
- Catholic Education Association of Yukon			30,731
- Various recipients			99,994
Tutor program	150,000	150,000	-
- Learning Disabilities Association of Yukon			80,000
- Skookum Jim Friendship Centre			65,168
- Various recipients			-
Post-secondary student scholarships	119,000	119,000	-
- Lester B. Pearson College			68,000
- University of Saskatchewan			50,000
Education related organizations	105,000	105,000	-
- Council of Ministers of Education, Canada			46,753

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Education</b>			
<u>Other transfer payments (continued)</u>			
Whole child project	\$ 141,000	\$ 141,000	\$ 34,200
- Elijah Smith Elementary School Trust			34,200
Yukon Asset Construction Agreement	-	631,000	631,200
- Kluane Lake First Nation			631,200
Attendance initiative	350,000	179,000	157,218
- Boys and Girls Club of Yukon			10,000
- First Nation School Board			35,950
- Gadzoosdaa Student Residence Trust			10,000
- Golden Horn Elementary School Council			12,000
- Individual Learning Centre Trust			10,200
- Jack Hulland School Council			15,000
- Teen Parent Centre			12,041
- Various recipients			52,027
French second language support	49,000	43,000	53,795
- FH Collins Senior Secondary School Trust			32,014
- Whitehorse Elementary School Trust			14,273
- Various recipients			7,508
First Nations Elder Program	44,000	44,000	52,500
- Teslin Tlingit Council			30,000
- Champagne and Aishihik First Nations			15,000
- Tr'ondëk Hwëch'in			7,500
School Cultural Activities	97,000	97,000	49,141
- Northern Cultural Expressions Society			43,333
- Tr'ondëk Hwëch'in			5,808
Apprenticeship initiatives	58,000	58,000	56,451
- Receiver General for Canada			48,748
- Various recipients			7,703
Early Learning & Child Care	9,865,000	9,865,000	4,951,323
Child Development Centre			5,392,294
School Food Program	-	500,000	524,810
Early Learning & Child Care Bursaries	-	-	65,476
Mental Well-Being	-	65,000	60,800
Association franco-yukonnaise	300,000	651,000	550,000
	51,313,000	53,773,000	60,582,068
<b>Total other government transfers</b>	<b>85,674,000</b>	<b>88,134,000</b>	<b>91,341,979</b>

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Energy, Mines and Resources</b>			
<u>Funding programs</u>			
Low Carbon Economy Leadership Fund	\$ 7,861,000	\$ 13,861,000	\$ 14,078,013
Energy Rebate Programs	2,640,000	2,665,000	3,834,731
Yukon Mineral Exploration Program	1,400,000	1,400,000	1,296,372
Sustainable Canadian Agricultural Partnership	1,459,000	1,459,000	764,120
	<u>13,360,000</u>	<u>19,385,000</u>	<u>19,973,236</u>
<u>Other transfer payments</u>			
Yukon Science Institute (Yukon-Stikine Regional Science Fair Society)	6,000	6,000	6,025
Successor resource legislation working group	70,000	70,000	70,000
- Various First Nations			
Yukon Wood Products Association	40,000	140,000	100,000
Canadian Council of Forest Ministers	6,000	6,000	15,000
Forest management plans assistance			-
- Various recipients	9,000	9,000	-
Forestry management research projects	9,000	9,000	-
Forest Industry Support Program	-	200,000	217,240
Liard First Nation	-	50,000	129,950
Teslin Tlingit Council	-	-	20,000
Yukon Agricultural Association - operational funding	140,000	140,000	140,000
Elk Fencing Program	250,000	250,000	88,550
Miscellaneous Transfer Payments	230,000	230,000	41,104
Mineral Resources and Geoscience Services Regulatory Projects			
- Ross River Dena Council	35,000	35,000	30,000
Yukon Prospectors Association	-	-	7,485
Type II mine site reclamation	300,000	50,000	70,000
Geological survey research work	410,000	410,000	315,032
- Boise State University			68,535
- University of Iowa			37,009
- University of Alberta			32,058
- Institute National de la Recherche Scientifique			29,559
- University of Calgary			110,057
- Simon Fraser University			4,947
- University of British Columbia			12,500
- Miscellaneous			20,366
Klondike Placer Miners' Association	120,000	120,000	165,000
Yukon Chamber of Mines	120,000	120,000	165,000
Energy - cost shared projects			
Mining Legislation	1,400,000	1,400,000	1,028,030
- Various First Nations			1,017,618
- Various recipients			10,412
Land Legislation	380,000	380,000	
- Various First Nations			276,210
- Various recipients			2,350
Energy - cost shared projects			
- Various recipients	867,000	867,000	50,500
Geothermal and Petroleum Working Group			
- Various Yukon First Nations	70,000	70,000	70,000
- Kluane First Nations	84,000	84,000	93,500
	<u>4,546,000</u>	<u>4,646,000</u>	<u>3,100,976</u>
<b>Total other government transfers</b>	<b>17,906,000</b>	<b>24,031,000</b>	<b>23,074,212</b>

## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Environment</b>			
<u>Other transfer payments</u>			
Environment and Climate Change Canada	\$ 1,045,000	\$ 1,045,000	\$ 1,563,163
Yukon Wildlife Preserve Operating Society			
- Operational Costs	747,000	747,000	858,418
- Swan Haven	17,000	17,000	17,000
Yukon University			
- Climate Change Research	100,000	100,000	94,357
Yukon Land Use Planning	175,000	175,000	-
Conservation Design and Land Use Planning - Various Recipients	595,000	595,000	602,267
Humane Society Yukon - Mae Bachur Animal Shelter	118,000	118,000	201,906
Humane Society Dawson	25,000	25,000	68,471
Yukon Energy Corporation - Whitehorse Fish Hatchery	168,000	168,000	170,000
Yukon Fish and Game Association	60,000	60,000	54,016
Porcupine Caribou Management Board	75,000	75,000	75,000
Yukon Conservation Society	50,000	50,000	50,000
Inuvialuit Final Agreement			
- Wildlife Management Advisory Council	494,000	494,000	535,000
Centre for Human-Wildlife Conflict Solutions	40,000	40,000	-
Yukon Trappers' Association	35,000	35,000	50,000
Animal Protection Program - various Recipients	35,000	35,000	57,150
Livestock Veterinary Services - various Recipients	6,000	6,000	11,816
Fish and Wildlife Cooperative Research Projects - various Recipients	18,000	18,000	-
Wood Bison Monitoring - Various Recipients	73,000	73,000	10,056
Mount Royal University	-	-	32,000
Environmental Awareness Fund - various Recipients	30,000	30,000	9,260
Community Water Monitoring Project - various Recipients	44,000	44,000	21,235
BC Ministry of Forests	-	-	10,000
Biodiversity Pathways	-	-	59,000
Carlton University	-	-	17,880
Council of Yukon First Nations	-	-	37,778
Fur Institute of Canada	-	-	30,000
Government of Northwest Territories	-	-	15,000
Yukon Invasive Species Council	-	-	60,000
Kwanlin Dun First Nation	-	-	80,000
Liard Aboriginal Women's Society	-	-	14,000
Living Lakes	-	-	51,700
Simon Fraser University	-	-	33,535
Ducks Unlimited	-	-	18,000
The Research Foundation	-	-	43,760
Tr'ondëk Hwëch'in	-	-	10,000
University of Alberta	-	-	20,000
University of Victoria	-	-	70,611
Wildlife Conservation Society Canada	-	-	50,000
Wolf Creek Community Association	-	-	20,000
Yukon University - Other	-	-	55,812
Various transfer payments less than \$10,000	4,000	4,000	50,464
Total other government transfers	<b>3,954,000</b>	<b>3,954,000</b>	<b>5,228,655</b>
<b>Finance</b>			
<u>Other transfer payments</u>			
Financial Operations and Revenue Services			
- Rural Community banking	450,000	450,000	458,325
Total other government transfers	<b>450,000</b>	<b>450,000</b>	<b>458,325</b>

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>French Language Services Directorate</b>				
<u>Other transfer payments</u>				
Yukon Hospital Corporation	\$ -	\$ -		\$ 356,246
Association franco-yukonnaise	130,000	130,000		166,186
- French Language Training			125,000	
- Health Projects			36,186	
- Yukon Francophonie Day			5,000	
Quebec - Yukon Intergovernmental Cooperation Program	50,000	50,000		32,450
- Association franco-yukonnaise			12,000	
- Various recipients			20,450	
Ministers' Council on the Canadian Francophonie Corporation	4,000	4,000		4,278
French Language Community Support				-
- Various recipients	434,000	434,000		-
Total other government transfers	<b>618,000</b>	<b>618,000</b>		<b>559,160</b>
<b>Health and Social Services</b>				
<u>Funding programs</u>				
Child Welfare Programming and Support	8,488,000	8,488,000		7,408,978
Parents of Children with Disabilities	718,000	1,218,000		2,146,139
Canada Prenatal Nutrition Program	677,000	677,000		826,632
- Council of Yukon First Nations			150,000	
- Watson Lake Creative Playgroup			132,255	
- Carcross/Tagish First Nation			39,000	
- Dawson Shelter Society, The			122,440	
- Victoria Faulkner Women's Centre, The			117,422	
- Les Essentielles			37,195	
- Skookum Jim Friendship Centre			121,000	
- Teslin Tlingit Council			39,000	
- TPC Child Care Society			68,320	
Employment Incentives	390,000	-		-
Employment Supports	305,000	305,000		-
	<b>10,578,000</b>	<b>10,688,000</b>		<b>10,381,749</b>
<u>Other transfer payments</u>				
Yukon Hospital Corporation				124,516,681
- Operational Funding	87,970,000	117,589,000	117,332,317	
- Orthopedic Program	3,649,000	3,649,000	3,649,000	
- First Nations Health	1,200,000	1,200,000	1,200,000	
- 1Health Yukon	1,533,000	1,533,000	1,404,124	
- Laboratory Services	725,000	725,000	725,000	
- MoreOB		113,000	113,240	
- Yukon Hospital Foundation	93,000	93,000	93,000	
Yukon Hospital Insurance Services	32,578,000	57,317,000		48,619,507
- Yukon Residents' Health Care Provided Outside Yukon				
- Province of British Columbia			36,999,051	
- Yukon Hospital Corporation - Whitehorse			3,971,211	
- Province of Alberta			2,477,682	
- Reimbursements to Individuals and Insurance Companies			3,902,685	
- Contributions to Various Health Agencies			30,250	
- Canadian Blood Services			645,989	
- Other Provinces and Territories			592,639	
Yukon Medical Association				5,026,855
- Physician Recruitment/Retention Initiatives	5,491,000	5,491,000	4,156,855	
- Medical Practice Insurance	554,000	554,000	427,000	
- Education	318,000	318,000	368,000	
- Medical Student Bursaries	125,000	125,000	75,000	
Opportunities Yukon Society				3,225,203
- 6-Plex	761,000	761,000	793,883	
- Bridges Café	67,000	67,000	-	
- Cornerstone Project		727,000	699,169	
- Granger House	761,000	761,000	1,274,050	
- Operating	349,000	349,000	458,101	

## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>Health and Social Services</b>				
<u>Other transfer payments (continued)</u>				
Yukon Women's Transition Home Society	\$ 1,669,000	\$ 1,919,000		\$ 1,999,341
Connective Support Society	6,768,000	6,768,000		8,332,343
- Whitehorse Emergency Shelter			5,427,000	
- Housing First			2,270,613	
- Yukon Review Board Residential Resource Program			634,730	
Safe at Home Society	-	-		1,323,801
Canadian Mental Health Association, Yukon Division				1,697,150
- Operational Funding	1,465,000	1,465,000	1,449,000	
- Peer Support Line	150,000	150,000	248,150	
Options for Independence Society				1,383,845
- Semi-independent Housing Supports	676,000	676,000	862,845	
- Aurora Group Home	521,000	521,000	521,000	
Teegatha'Oh Zheh				
- Operational Funding	1,271,000	1,271,000	1,349,839	1,389,669
- Specialized Services	74,000	74,000	39,830	
First Nation Family Support Workers				
FASD Inter-agency Committee	500,000	500,000		252,281
- Council of Yukon First Nations Justice Program			133,825	
- Fetal Alcohol Syndrome Society of Yukon			94,788	
- Whitehorse Aboriginal Women's Circle			17,800	
- Teegatha'Oh Zheh			5,868	
Blood Ties Four Directions Centre Society				1,360,142
- Operational Funding	520,000	520,000	542,133	
- Supervised Consumption Site	622,000	1,015,000	718,709	
- After Hour Support	87,000	87,000	84,000	
- Peer Support Group	15,000	15,000	15,300	
One Yukon Coalition - Clean Water Wastewater Fund	-	952,000		951,882
Inclusion Yukon Society				712,224
- Inclusion Funding	235,000	235,000	235,000	
- Operating	239,000	239,000	477,224	



## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>Health and Social Services</b>				
<u>Other transfer payments (continued)</u>				
Skookum Jim Friendship Centre	\$ 851,000	\$ 851,000		\$ 821,977
Help & Hope for Families Society	625,000	875,000		854,000
Fetal Alcohol Syndrome Society of Yukon	728,000	728,000		740,830
Kwanlin Dün First Nation				550,000
- Jackson Lake Healing Camp	400,000	400,000	400,000	
- Circle and Culture Coordinator			150,000	
Emergency Medical Services				
- Volunteer Awards Fund	110,000	110,000		52,264
Dawson Shelter Society	409,000	559,000		720,421
Panorama	126,000	-		-
British Columbia Centre for Disease Control	150,000	150,000	150,000	219,218
- Harm Reduction Supplies			14,218	
- Poison Information Management			55,000	
Cultural Connections				1,766,260
- Council of Yukon First Nations			1,443,260	
- Skookum Jim Friendship Centre			48,000	
- Kwanlin Dün First Nation			45,000	
- Selkirk First Nation			35,000	
- Ross River Dena Council			27,500	
- Carcross/Tagish First Nation			25,000	
- Vuntut Gwitchin First Nation			25,000	
- Liard First Nation			20,000	
- Kluane First Nation			20,000	
- Teslin Tlingit Council			17,500	
- Little Salmon/Carmacks First Nation			17,500	
- Champagne and Aishihik First Nations			12,500	
- First Nation of Na-cho Nyäk Dun			10,000	
- White River First Nation			10,000	
- Tr'ondëk Hwëch'in			10,000	
Hospice Yukon Society	322,000	322,000		326,707
Miscellaneous Transfer Payments	962,000	1,052,000		-
City of Whitehorse - Handy Bus	255,000	255,000		251,775
Tr'ondëk Hwëch'in				
- Emergency Shelter	258,000	258,000		250,000
Strongest Families Institute	-	-		50,000
Sport Yukon - Kids Recreation Fund	214,000	214,000		228,000
First Nations Health Partnership	165,000	165,000		165,000
Yukon Registered Nurses Association	150,000	150,000		150,000
Individual Respite Agreements	125,000	1,625,000		586,156
Council of Yukon First Nations	-	-		1,144,758
- Health Transformation			749,048	
- Safety Outreach			306,460	
- Anti-Stigma Communications Campaign			50,000	
- Winter Food Program			29,250	
- Vulnerable Families			10,000	
- Land-based Healing Fund	-	2,218,000		130,000
Shawthan Nazhi: Healing with The Land Society	-	-		87,500
Learning Disabilities Association of Yukon	155,000	155,000		157,500
Yukon Food for Learning Association	132,000	132,000		157,000
HealthLink British Columbia	-	-		161,686
Autism Yukon	85,000	85,000		221,990
Public Works and Government Services Canada	79,000	79,000		93,165
All Genders Yukon	110,000	110,000		-
Canadian Cancer Society	-	-		79,992
- Cancer Lodges	65,000	65,000	65,250	
- Health Services	14,000	14,000	14,742	
Yukon Anti-Poverty Coalition	84,000	84,000		173,960
Yukon Council on Aging	75,000	75,000		76,289
Medical Student Bursaries	-	-		-

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>Health and Social Services</b>				
<u>Other transfer payments (continued)</u>				
Nursing Education Bursaries	\$ 24,000	\$ 24,000		\$ 65,000
Canadian Institute for Health Information	43,000	43,000		54,568
Health Investment Fund	50,000	50,000		50,000
Line of Life Association of the Yukon	64,000	64,000		65,544
Alberta Health Services - Emergency Medical Services	34,000	34,000		41,895
Victoria Faulkner Women's Centre, The - accommodation	44,000	44,000		42,891
Canadian Red Cross Society	36,000	36,000		478,382
Canadian National Institute for the Blind	33,000	33,000		-
Government of Manitoba - Healthy Child	30,000	30,000		31,500
St. Elias Seniors Society	35,000	35,000		37,409
United Way Society of Yukon	-	-		67,500
Healthy Eating	26,000	26,000		13,456
Health Professional Bursary	40,000	40,000		82,500
Rick Hansen Foundation	20,000	20,000		-
Queer Yukon Society	-	-		139,193
Big Brothers and Big Sisters of Yukon	13,000	13,000		10,000
Recreation and Parks Association of the Yukon	8,000	8,000		8,050
Joint Consortium for School Health	2,000	2,000		2,000
Options for Sexual Health	1,000	1,000		-
Rural End of Life	204,000	204,000		-
Home Care Self Management Funding	-	-		345,198
Signpost Seniors Association	57,000	57,000		42,585
Professional Development Fund	25,000	25,000		25,000
Health Education Bursaries	25,000	25,000		50,000
British Columbia Cancer Registry	17,000	17,000		-
Foster Parent Association	15,000	15,000		-
Education and prevention	10,000	10,000		-
Yukon Hospital Corporation- Capital				10,845,169
- Secure Medical Unit	12,200,000	12,200,000	10,330,805	
- 1Health (Meditech)	1,422,000	1,422,000	514,364	
Various transfer payments less than \$10,000	-	-		46,347
Alzheimer Society of BC	-	-		150,000
Golden Age Society	-	-		16,330
Yukon College - Strategy for Patient-Oriented Research	-	-		219,278
Northern Council for Global Cooperation	-	-		18,750
Liard First Nation - Bee Project Trailer	-	-		18,000
Northern Lights Optometry Ltd.	-	-		13,870
Network for Healthy Early Human Development	-	-		185,000
Pathways Patient Referral Association	-	-		51,500
Vision Loss Rehabilitation Canada	-	-		36,826
	172,113,000	232,988,000		224,261,113
<b>Total other government transfers</b>	<b>182,691,000</b>	<b>243,676,000</b>		<b>234,642,862</b>

## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Highways and Public Works</b>			
<u>Other transfer payments</u>			
Vuntut Gwitchin First Nation - Old Crow Winter Road	\$ 800,000	\$ 800,000	\$ 894,598
Yukon Resource Gateway Project	1,000,000	1,000,000	-
City of Whitehorse	-	-	5,000
Champagne and Aishihik First Nations	70,000	35,000	35,000
Council of Yukon First Nations	-	-	60,811
Yukon First Nation Chamber of Commerce	170,000	170,000	159,040
Yukon University	-	-	48,964
Yukon Contractors Association	43,000	43,000	25,000
Teslin Tlingit Council	-	-	62,637
Canadian Standards Association	-	-	17,250
Yukon Transportation Museum Society	12,000	12,000	-
Various transfer payments less than \$10,000	-	-	5,000
<b>Total other government transfers</b>	<b>2,095,000</b>	<b>2,060,000</b>	<b>1,313,301</b>
<b>Justice</b>			
<u>Other transfer payments</u>			
Yukon Legal Services Society (Legal Aid)			3,497,113
- Legal Services	3,288,000	3,288,000	3,462,113
- Community Justice and Public Safety	35,000	35,000	35,000
Human Rights Commission	658,000	808,000	808,000
Community Supervisory Housing	-	-	1,452,015
- Connective Support Society (Men)	808,000	808,000	787,014
- Connective Support Society (Women)	739,833	739,833	665,001
Community Consultative Group	50,000	50,000	-
Community Safety Planning	700,000	700,000	233,888
- Kluane First Nation			155,925
- Vuntut Gwitchin First Nation			77,963
Yukon Aboriginal Women's Council-FILU	-	70,000	70,000
Indigenous Courtworker Program	823,000	973,000	875,598
- CYFN - Gladue project			175,000
- Carcross Tagish First Nation			48,201
- Carcross Tagish First Nation (Prior year funding)			13,343
- Champagne and Aishihik First Nations			48,201
- Champagne and Aishihik First Nations (prior year funding)			11,590
- First Nation of Na-cho Nyäk Dun			12,050
- First Nation of Na-cho Nyäk Dun (Prior year funding)			13,343
- Kluane First Nation			12,050
- Kluane First Nation (prior year funding)			4,105
- Kwanlin Dün First Nation			139,208
- Kwanlin Dün First Nation (prior year funding)			14,218
- Liard First Nation			85,153
- Liard First Nation (Prior year funding)			34,666
- Little Salmon/Carmacks First Nation			48,201
- Little Salmon/Carmacks First Nation (prior year funding)			4,105
- Ross River Dena Council			24,101
- Ross River Dena Council (Prior year funding)			21,422
- Selkirk First Nation			24,101
- Teslin Tlingit Council			12,050
- Teslin Tlingit Council (Prior year funding)			25,239
- Tr'ondëk Hwëch'in			19,833
- Tr'ondëk Hwëch'in (Prior Year funding)			4,105
- Vuntut Gwitchin First Nation			36,151
- Vuntut Gwitchin First Nation (prior year funding)			45,162

## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Justice</b>			
<u>Other transfer payments (continued)</u>			
Community Safety Officer	\$ 1,028,000	\$ 1,769,212	\$ 932,231
- KDFN			202,705
- SFN			424,129
- CTFN			133,308
- TTC			172,089
Yukon Workers' Compensation Health and Safety Board	330,000	330,000	329,500
Community Justice Projects	307,000	307,000	364,094
- CYFN Needs Analysis - Indigenous Family Courtworker			40,000
- Carcross/Tagish First Nation			19,085
- Carcross/Tagish First Nation (prior year funding)			6,975
- Champagne and Aishihik First Nations			28,530
- Champagne and Aishihik First Nations (prior year funding)			9,498
- Kwanlin Dün First Nation			38,831
- Kwanlin Dün First Nation (prior year funding)			16,641
- Liard First Nation			51,100
- Liard First Nation (Prior year funding)			33,053
- Ross River Dena Council			8,150
- Ross River Dena Council (Prior year funding)			4,834
- Teslin Tlingit Council			42,000
- Tr'ondëk Hwëch'in			16,856
- Tr'ondëk Hwëch'in (prior year funding)			7,500
- Vuntut Gwitchin First Nation			17,251
- Vuntut Gwitchin First Nation (prior year funding)			23,790
Yukon Public Legal Education Association	163,000	163,000	263,000
RCMP			122,890
- Biology Caseworks & Auxiliary Police Program	136,000	136,000	122,890
- Police Board Funding	5,000	5,000	-
Yukon Women's Transition Home Society-Women's Coalition	-	-	5,700
Yukon Community Crime Stopper Association	10,000	10,000	10,000
Boys and Girls Club of Yukon-GGVAF	-	-	7,808
Community Impact Statements	-	-	104,000
Drug impaired driving program	-	57,000	87,500
- Yukon community Crime Stopper Association DID			20,000
- Boys and Girls Club of Yukon DID			67,500
<b>Total other government transfers</b>	<b>9,080,833</b>	<b>10,249,045</b>	<b>9,163,337</b>
<b>Tourism and Culture</b>			
<u>Funding programs</u>			
Community Tourism Destination Development Fund	1,000,000	1,000,000	1,431,967
Arts Operating Funds	825,000	825,000	825,000
Tourism Cooperative Marketing Fund	700,000	700,000	687,858
Arts Fund	500,000	500,000	483,019
Advanced Artist Award	150,000	150,000	153,506
Creative and Cultural Career Advancement Fund	150,000	150,000	90,000
Express Micro Grant	150,000	150,000	179,608
Indigenous Artist and Cultural Carriers	150,000	150,000	162,979
Touring Artist Fund	100,000	100,000	101,183
New Canadians Event Fund	45,000	45,000	52,975
	3,770,000	3,770,000	4,168,095
<u>COVID-19 Pandemic - Funding Programs</u>			
Enhancing Tourism Cooperative Marketing Fund	-	-	2,000
Tourism Relief and Recovery Plan	467,000	467,000	174,692
	467,000	467,000	176,692

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Tourism and Culture</b>			
<u>Other transfer payments</u>			
Yukon Arts Centre Corporation	\$ -	\$ -	\$ 1,127,680
- Operations and Maintenance	892,000	892,000	952,680
- Old Fire Hall Programming	175,000	175,000	175,000
Museums - General Operation, Maintenance, and Training Support	842,000	842,000	1,052,207
- MacBride Museum Society			297,876
- Operations and Maintenance			50,000
- Municipal Taxes			150,103
- Dawson City Museum Society			150,103
- Yukon Transportation Museum Society, The			92,371
- Yukon Church Heritage Society			57,732
- Keno Community Club			57,732
- Kluane Museum of History Society			57,732
- Teslin Historical & Museum Society			46,186
- Town of Faro - Campbell Region Interpretive Centre			46,186
- Town of Watson Lake - Northern Lights Centre			46,186
- Village of Mayo - Binet House			46,186
First Nations Cultural Centres	800,000	800,000	923,711
- Carcross/Tagish First Nation			150,103
- Champagne and Aishihik First Nations			150,103
- Kwanlin Dün Cultural Society			150,103
- Teslin Tlingit Council			150,103
- Tr'ondëk Hwëch'in			150,103
- Little Salmon/Carmacks First Nation			57,732
- Selkirk First Nation			57,732
- Vuntut Gwitchin First Nation			57,732
Yukon Historical & Museums Association			
- Operations and Maintenance	74,000	74,000	80,000
- Yukon 125 Fund and Fund Administration	-	-	453,513
Dawson City Arts Society			
- Operations and Maintenance	425,000	425,000	459,000
On Yukon Time - Arts Themed Events	19,000	19,000	-

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates		Actual
<b>Tourism and Culture</b>				
<u>Other transfer payments (continued)</u>				
Yukon Tourism Development Strategy Implementation				
- Yukon First Nation Culture and Tourism Association	\$ 300,000	\$ 300,000	\$	295,000
- Experience Development	175,000	175,000		71,047
- Cabin Fever Adventures			62,626	
- Canadian Outdoor Academy			8,421	
Northern Cultural Expressions Society	345,000	345,000		351,900
Museums - Assistance	348,000	348,000		362,250
- Teslin Historical & Museum Society			62,666	
- Dawson City Museum Society			40,000	
- The Yukon Transportation Museum Society			40,000	
- Yukon Church Heritage Society			37,600	
- Kwanlin Dūn Cultural Society			31,071	
- Champagne and Aishihik First Nations			30,014	
- Carcross/Tagish First Nation			20,000	
- Dawson City Museum Society			20,000	
- Kwanlin Dūn Cultural Society			20,000	
- MacBride Museum Society			20,000	
- Town of Watson Lake			20,000	
- Teslin Historical & Museum Society			10,315	
- Various Recipients			10,584	
Wilderness Tourism Association of the Yukon	264,000	264,000		264,000
- Operations and Maintenance				
Tourism Industry Association of the Yukon				281,254
- Marketing Partnership	219,000	219,000	229,000	
- Tourism Inventory Project	-	-	37,500	
- Promotion/Events	20,000	20,000	14,754	
Yukon Convention Bureau Society	200,000	200,000		250,000
Klondike Visitors Association	-	-		168,400
Yukon First Nations Culture and Tourism Association	160,000	160,000		160,000
Culture Quest	157,000	157,000		105,749
- Eugene Alfred			10,000	
- Colin Mac Dingwall			10,000	
- Yukon First Nations Culture and Tourism Association			10,000	
- Various Recipients			75,749	
Yukon Quest International Association (Canada)	150,000	150,000		165,000
Selkirk First Nation - Fort Selkirk	147,000	147,000		147,000
Air North Charter & Training Ltd	75,000	75,000		75,000
Yukon Arts Society - Artist in the School	100,000	100,000		100,000
Historic Properties Assistance Program	116,000	116,000		74,000
- Yukon Church Heritage Society			20,000	
- Yukon Historic Resource Fund			36,000	
- Yukon Film Society			10,000	
- Various Recipients			8,000	
Yukon Sourdough Rendezvous	100,000	100,000		117,000
Tr'ondëk Hwëch'in				192,968
- Forty Mile	95,000	95,000	67,968	
- Nun Cho Ga	-	-	125,000	
Council of Yukon First Nations	137,000	137,000		145,406
Creative and Cultural Industries Strategy	80,000	80,000		-
Yukon Council of Archives - YCA Community Archivist Project	75,000	75,000		75,000
Vuntut Gwitchin First Nation - Rampart House	60,000	60,000		70,000
Sport Yukon - Sport Tourism	115,000	115,000		125,000
Yukon Convention Bureau Society - Convention Centre				520,221
Friends of Yukon Permanent Art Collection Society				
- Visual Arts Acquisitions	60,000	60,000		60,000
Association franco-yukonnaise	50,000	50,000		45,000
Stay Another Day	25,000	25,000		7,684
- Various Recipients			7,684	
Carcross/Tagish First Nation - Conrad Historic Site	20,000	20,000		20,000
Yukon Conservation Society - Canyon City	18,000	18,000		17,309
Heritage Sites Projects	15,000	15,000		84,067
- Carleton University			84,067	-
Product Development and Resource Assessment	50,000	50,000		66,202
- Various Recipients			66,202	

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Tourism and Culture</b>			
<u>Other transfer payments (continued)</u>			
Historic Sites, Inventory, Design, and Public Programming			
- Tr'ondëk Hwëch'in	\$ 10,000	\$ 10,000	\$ 10,000
Canadian Tourism Commission	40,000	40,000	129,000
Heritage Trails - Teslin Tlingit Council	20,000	20,000	10,000
The Yukon Science Institute	20,000	20,000	8,220
National Research Project	20,000	20,000	-
Yukon Arts Centre Foundation	-	-	14,963
Kwanlin Dün Cultural Society	10,000	10,000	10,000
Yukon First Nations Culture and Tourism Association			
- Content Development	10,000	10,000	-
Champagne and Aishihik First Nations	-	-	13,412
125 Prize	-	-	33,930
- Lien, Matthew			19,000
- Various Recipients			14,930
Various Transfer Payments less than \$10,000	9,000	9,000	28,396
	7,042,000	7,042,000	8,770,489
Total other government transfers	<b>11,279,000</b>	<b>11,279,000</b>	<b>13,115,276</b>

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Women and Gender Equity Directorate</b>			
<u>Other transfer payments</u>			
Indigenous Women's Equality Fund	\$ 600,000	\$ 600,000	\$ 600,000
- Yukon Aboriginal Women's Council			200,000
- Liard Aboriginal Women's Society			200,000
- Whitehorse Aboriginal Women's Circle			200,000
Yukon Aboriginal Women's Council			
- Missing and Murdered Indigenous Women, Girls and Two-Spirit Forums			
- Forums	116,000	116,000	98,302
- Update the record	100,000	100,000	-
- Family Release of Joint Implementation Plan	-	-	9,153
- Sally and Sisters	168,000	168,000	168,000
Women's Equality Fund	197,000	197,000	196,245
- Victoria Faulkner Women's Centre, The			55,000
- Yukon Status of Women's Council			49,000
- Women in Trades and Technology Association			48,245
- Les EssentiElles			44,000
Victoria Faulkner Women's Centre, The	100,000	100,000	100,000
- Women's Advocate	95,000	95,000	90,251
- A Safe Place			-
The Prevention of Violence against Aboriginal Women's Initiative	200,000	200,000	92,983
- Champagne and Aishihik First Nations			22,500
- Whitehorse Aboriginal Women's Circle			25,000
- Skookum Jim Friendship Centre			25,000
- Carcross/Tagish First Nation			20,483
Skookum Jim Friendship Centre			
- Women's Legal Advocate Services	93,000	93,000	93,000
Yukon Anti-Poverty Coalition			
- Whitehorse affordable family housing complex	76,500	76,500	76,500
Yukon Women's Transition Home Society			
- Sexualized Assault Support Line	60,000	60,000	60,000
Queer Yukon Society	375,000	375,000	375,000
Crisis Hotline	-	175,000	175,000
- Canadian Mental Health Association, Yukon Division			43,750
- Dawson Shelter Society, The			43,750
- Yukon Women's Transition Home Society			43,750
- Help & Hope for Families Society			43,750
National Action Plan to end Gender-Based Violence - Prevention Fund	-	682,000	358,832
- Yukon Anti-Poverty Coalition			12,156
- Whitehorse Aboriginal Women's Circle			10,231
- Women in Trades and Technology Association			24,430
- Les EssentiElles			34,281
- Liard Aboriginal Women's Society			21,564
- Queer Yukon Society			62,970
- Skookum Jim Friendship Centre			27,600
- Victoria Faulkner Women's Centre, The			69,000
- Yukon Aboriginal Women's Council			27,600
- Yukon Status of Women Council, The			69,000
National Action Plan to end Gender-Based Violence - Victim Support Fund	-	682,000	421,668
- Yukon Anti-Poverty Coalition			30,615
- Whitehorse Aboriginal Women's Circle			4,400
- Les EssentiElles			45,958
- Liard Aboriginal Women's Society			69,000
- Queer Yukon Society			42,620
- Skookum Jim Friendship Centre			69,000
- Victoria Faulkner Women's Centre, The			69,000
- Yukon Aboriginal Women's Council			27,600
- Yukon Status of Women Council, The			63,476
National Action Plan to end Gender-Based Violence - Women's Coalition	-	60,000	36,382
Women's community projects - various recipients	10,000	10,000	2,000
Other			
- CYFN/Connective Food Program	-	-	105,000
- YSPOR	-	-	40,000
<b>Total other government transfers</b>	<b>2,190,500</b>	<b>3,789,500</b>	<b>3,098,316</b>



## GOVERNMENT OF YUKON

Schedule 9

**Non-Consolidated Schedule of Other Government Transfers  
for the year ended March 31, 2024**

	Main Estimates	Revised Estimates	Actual
<b>Yukon Development Corporation (Transfer Payment)</b>			
<u>Other transfer payments</u>			
Interim electrical rebate	\$ 3,500,000	\$ 3,500,000	\$ 3,412,629
Mayo B rate payer support	2,625,000	2,625,000	2,428,000
Innovative renewable energy initiative	2,000,000	2,000,000	1,964,650
Arctic energy fund	5,012,000	4,244,000	4,089,994
Investing in Canada infrastructure program	3,000,000	3,856,000	3,847,912
Inflation relief rebate	5,302,000	5,302,000	5,302,000
Atlin hydro expansion project	2,000,000	2,000,000	2,000,000
Total other government transfers	<b>23,439,000</b>	<b>23,527,000</b>	<b>23,045,185</b>
<b>Yukon Housing Corporation (Transfer Payment)</b>			
<u>Other transfer payments</u>			
Operations and maintenance	619,000	619,000	9,390,962
Capital	14,711,000	13,683,000	21,211,508
Total other government transfers	<b>15,330,000</b>	<b>14,302,000</b>	<b>30,602,470</b>
<b>Restricted Funds</b>			
<u>Other transfer payments</u>			
Carbon amounts distributed	29,600,000	30,830,000	30,653,319
Regional Relief and Recovery Fund	961,000	237,000	452,638
Total other government transfers	<b>30,561,000</b>	<b>31,067,000</b>	<b>31,105,957</b>
<b>Totals</b>			
Funding programs	70,108,000	77,545,000	85,761,285
Other government transfers	390,529,450	438,286,662	441,038,853
	<b>\$ 460,637,450</b>	<b>\$ 515,831,662</b>	<b>\$ 526,800,138</b>

## GOVERNMENT OF YUKON

Schedule 10

**Non-Consolidated Schedule of Bad Debt Write-offs  
for the year ended March 31, 2024**

Department	Number of Accounts	Total
		NIL
		<u><u>\$ -</u></u>

Note: No bad debts were reported as write-off by virtue of the section 35 of the *Financial Administration Act* ended March 31, 2024.

## GOVERNMENT OF YUKON

Schedule 11

**Schedule of Special Warrants  
for the year ended March 31, 2024**

Warrant Number	Purpose	Amount
		(thousands of dollars)
No. 1    O&M	Health and Social Services	<u>\$       25,000</u>
	Capital	<u>\$       40,922</u>
		<u><u>\$       65,922</u></u>

The following Legislated Grants have been included in the amounts above:

Grants (O&M)	Health and Social Services	
	- Yukon Seniors' Income Supplement	\$       775
	- Pioneer Utility Grant	500
	- Medical Travel Subsidies	1,300
	- Social Assistance - Region	300
		<u><u>\$       2,875</u></u>

The special warrant authorized spending for the purpose of financing government operations for the period February 01, 2024 to March 31, 2024, under OIC 2024/33 of the *Financial Administration Act*.

SECTION III

SUPPLEMENTARY FINANCIAL STATEMENTS

(audited)

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YUKON DEVELOPMENT CORPORATION  
FINANCIAL STATEMENTS  
December 31, 2023  
(audited)

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June 13, 2024

## Management's Responsibility for Financial Reporting

Management is responsible for the preparation of these consolidated financial statements in conformity with International Financial Reporting Standards and all other financial information relating to the Corporation contained in this annual report. These consolidated financial statements have been prepared by management using methods appropriate for the industry in which the Corporation operates and necessarily include some amounts that are based on judgements and best estimates of management. The financial information contained elsewhere in this annual report is consistent with that in the consolidated financial statements. The Auditor General of Canada is the external auditor of the Corporation.

Management has established internal accounting control systems to meet its responsibilities for reliable and accurate reporting. These systems include policies and procedures, the careful selection and training of qualified personnel and an organizational structure that provides for the appropriate delegation of authority and segregation of responsibilities.

The Board of Directors, through its Audit Committee, oversees management's responsibilities for financial reporting. The Audit Committee meets regularly with management and the independent auditor to discuss auditing and financial matters to ensure that management is carrying out its responsibilities and to review the consolidated financial statements. The auditors have full and free access to the Audit Committee and management.

Sara French  
Acting President and CEO

Kaitlyn Bouvier  
Chief Financial Officer





## INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Yukon Development Corporation

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of the Yukon Development Corporation and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of operations and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### *Basis for Opinion*

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

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit,

or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

## **Report on Compliance with Specified Authorities**

### *Opinion*

In conjunction with the audit of the consolidated financial statements, we have audited transactions of the Yukon Development Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Financial Administration Act* of Yukon and regulations, the *Yukon Development Corporation Act* and regulations, the *Public Utilities Act* and regulations, the *Business Corporations Act* and regulations, and the articles and by-laws of the Yukon Development Corporation.

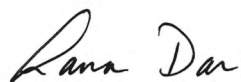
In our opinion, the transactions of the Yukon Development Corporation that came to our notice during the audit of the consolidated financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Yukon Development Corporation Act*, we report that, in our opinion, the accounting principles in IFRSs have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by the Yukon Development Corporation and the consolidated financial statements are in agreement therewith.

### *Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the Yukon Development Corporation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Yukon Development Corporation to comply with the specified authorities.

*Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the consolidated financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink that reads "Lana Dar". The signature is written in a cursive, flowing style.

Lana Dar, CPA, CA  
Principal  
for the Auditor General of Canada

Vancouver, Canada  
13 June 2024

# Yukon Development Corporation

## Consolidated Statement of Financial Position (in thousands of Canadian dollars)

December 31,	2023	2022
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 10,888	\$ 3,157
Accounts receivable (Note 5)	24,980	32,656
Inventories (Note 6)	5,072	4,944
Prepaid expenses	1,708	690
	<b>42,648</b>	<b>41,447</b>
<b>Non-current</b>		
Right-of-use assets (Note 7)	1,776	1,231
Finance lease receivable (Note 8)	-	85
Property, plant and equipment (Note 9)	565,862	515,748
Intangible assets (Note 10)	27,342	21,671
Derivative related asset (Note 26)	2,405	4,908
<b>Total assets</b>	<b>640,033</b>	<b>585,090</b>
Regulatory debit balances (Note 11(a))	38,272	32,513
<b>Total assets and regulatory debit balances</b>	<b>\$ 678,305</b>	<b>\$ 617,603</b>
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 12)	\$ 44,457	\$ 11,123
Accounts payable and accrued liabilities (Note 13)	25,141	18,107
Current portion of deferred revenue (Note 17)	1,851	1,380
Current portion of lease liability (Note 7)	160	130
Current portion of long-term debt (Note 14)	4,440	4,227
	<b>76,049</b>	<b>34,967</b>
<b>Non-current</b>		
Post-employment benefits (Note 15)	964	827
Contributions in aid of construction (Note 16)	103,600	100,851
Deferred revenue (Note 17)	17,615	17,319
Lease liability (Note 7)	695	135
Long-term debt (Note 14)	221,651	218,615
<b>Total liabilities</b>	<b>420,574</b>	<b>372,714</b>
<b>Equity</b>		
Contributed capital	41,501	41,501
Retained earnings	182,896	180,552
<b>Total equity</b>	<b>224,397</b>	<b>222,053</b>
<b>Total liabilities and equity</b>	<b>644,971</b>	<b>594,767</b>
Regulatory credit balances (Note 11(b))	33,334	22,836
<b>Total liabilities, equity and regulatory credit balances</b>	<b>\$ 678,305</b>	<b>\$ 617,603</b>

### Commitments and Contingencies (Notes 23 and 24)

The accompanying notes are an integral part of the consolidated financial statements.

### Approved by the Board:

*MLP*

, Chair



, Director

## Yukon Development Corporation

### Consolidated Statement of Operations and Other Comprehensive Income

(in thousands of Canadian dollars)

For the year ended December 31,	2023	2022
<b>Revenues</b>		
Sales of power (Note 18)	\$ 77,627	\$ 79,595
Yukon Government contributions (Note 22)	13,836	14,850
Other (Note 19)	6,306	3,895
	<b>97,769</b>	<b>98,340</b>
<b>Operating expenses</b>		
Operations and maintenance (Note 20)	36,934	35,178
Administration (Note 21)	19,913	15,459
Depreciation and amortization (Notes 7, 9 and 10)	14,277	14,107
	<b>71,124</b>	<b>64,744</b>
<b>Income before other income and other expenses</b>	<b>26,645</b>	<b>33,596</b>
<b>Other income</b>		
Allowance for funds used during construction	1,836	1,056
Amortization of contributions in aid of construction (Note 16)	1,618	1,794
Interest income	426	201
Unrealized gain on interest rate swaps (Note 26)	-	7,386
	<b>3,880</b>	<b>10,437</b>
<b>Other expenses</b>		
Interest on borrowings	10,265	8,994
Inflation relief rebate program subsidies (Note 1)	4,922	5,757
Interim electrical rebate program subsidies (Note 1)	3,099	3,078
Unrealized loss on interest rate swaps (Note 26)	2,503	-
Innovative renewable energy initiative program subsidies (Note 1)	1,556	2,469
Atlin Hydroelectric expansion project subsidies (Note 1)	750	-
Yukon Hospital Corporation loan forgiveness (Note 8)	85	-
	<b>23,180</b>	<b>20,298</b>
<b>Net income for the year before net movement in regulatory balances</b>	<b>7,345</b>	<b>23,735</b>
Net movement in regulatory balances related to net income (Note 11(d))	(4,739)	(6,113)
<b>Net income for the year after net movement in regulatory account balances</b>	<b>2,606</b>	<b>17,622</b>
<b>Other comprehensive income</b>		
Item that will not be reclassified to net income in subsequent periods		
Remeasurement of defined benefit pension plans (Note 15)	(262)	3,366
<b>Total comprehensive income for the year</b>	<b>\$ 2,344</b>	<b>\$ 20,988</b>

The accompanying notes are an integral part of the consolidated financial statements.

## Yukon Development Corporation

### Consolidated Statement of Changes in Equity (in thousands of Canadian dollars)

	Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total
<b>Balance at December 31, 2021</b>	<b>\$ 41,501</b>	<b>\$ 159,564</b>	<b>\$ -</b>	<b>\$ 201,065</b>
Net income for the year and net movement in regulatory account balances	-	17,622	-	17,622
Other comprehensive income	-	-	3,366	3,366
Transfer of remeasurement of defined benefit pension plans to retained earnings	-	3,366	(3,366)	-
<b>Balance at December 31, 2022</b>	<b>\$ 41,501</b>	<b>\$ 180,552</b>	<b>\$ -</b>	<b>\$ 222,053</b>
Net income for the year and net movement in regulatory account balances	-	2,606	-	2,606
Other comprehensive income	-	-	(262)	(262)
Transfer of remeasurement of defined benefit pension plans to retained earnings	-	(262)	262	-
<b>Balance at December 31, 2023</b>	<b>\$ 41,501</b>	<b>\$ 182,896</b>	<b>\$ -</b>	<b>\$ 224,397</b>

The accompanying notes are an integral part of the consolidated financial statements.

## Yukon Development Corporation

### Consolidated Statement of Cash Flows (in thousands of Canadian dollars)

For the year ended December 31,	2023	2022
<b>Operating activities</b>		
Cash receipts from customers	\$ 78,045	\$ 79,174
Cash receipts from Yukon Government	19,563	6,360
Cash receipts from contributions in aid of construction	7,167	6,596
Cash paid to suppliers	(46,355)	(47,175)
Cash paid to employees	(15,905)	(14,691)
Interest paid	(9,483)	(8,636)
Cash receipts from insurance claim settlement	4,387	2,137
Interest received	431	197
Cash provided by operating activities	<b>37,850</b>	23,962
<b>Financing activities</b>		
Net advances from (repayments to) line of credit	33,491	(1,694)
Proceeds from long-term debt	7,425	17,991
Repayment of long-term debt	(4,228)	(3,924)
Lease payments	(178)	(1,172)
Cash provided by financing activities	<b>36,510</b>	11,201
<b>Investing activities</b>		
Additions to property, plant and equipment	(59,596)	(34,888)
Additions to intangible assets	(6,876)	(3,011)
Cash used in investing activities	<b>(66,472)</b>	(37,899)
<b>Net increase (decrease) in cash</b>	7,888	(2,736)
<b>Cash, beginning of year</b>	6,218	8,954
<b>Cash, end of year (Note 12)</b>	<b>\$ 14,106</b>	<b>\$ 6,218</b>

The accompanying notes are an integral part of the consolidated financial statements.



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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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### 1. Nature of operations

#### a) General

Yukon Development Corporation was originally established under the *Yukon Development Corporation Act* to participate with the private sector in the economic development of the Yukon, to make strategic investments to the benefit of the territory and to acquire and operate the assets of Northern Canada Power Commission in the Yukon. In 1993, the Yukon Development Corporation's mandate was changed to restrict its new initiatives to energy-related activities designed to promote the economic development of the Yukon. The Yukon Development Corporation's principal place of business is located at 303 Alexander Street, Whitehorse, YT, Y1A 2L5.

Yukon Development Corporation's wholly-owned subsidiary, Yukon Energy Corporation (the "Utility") is incorporated under the Yukon *Business Corporations Act*. The Utility generates, purchases, transmits, distributes and sells electrical energy in the Yukon. The Utility's principal place of business is located at #2 Miles Canyon Road, Whitehorse, YT, Y1A 6S7.

The Utility is subject to overall regulation by the Yukon Utilities Board ("YUB") and specific regulation by the Yukon Water Board. Both boards are consolidated by the Yukon Government and as such are considered to be related parties for accounting purposes to the Yukon Development Corporation and the Utility. Management has assessed that these boards operate independently from the Yukon Development Corporation and the Utility from a rate setting and operating perspective.

Yukon Development Corporation and the Utility are not subject to income taxes.

Yukon Development Corporation consolidates the financial statements of its subsidiary, the Utility. All intercompany transactions, balances, income and expenses are eliminated on consolidation. References in these consolidated financial statements to "Corporation" refer to the consolidated entity.

#### b) Rate regulation

The operations of the Corporation are regulated by the YUB pursuant to the *Public Utilities Act*. The Corporation is subject to a cost of service regulatory mechanism under which the YUB establishes the revenues required (i) to recover the forecast operating costs, including depreciation and amortization, of providing the regulated service, and (ii) to provide a fair and reasonable return on Corporation investment in rate base. There is no minimum requirement for the Corporation to appear before the YUB to review rates. However, the Corporation is not permitted to charge any rate for the supply of power that is not approved by an Order of the YUB. As actual operating conditions may vary from forecast, actual returns achieved can differ from approved returns.

The regulatory hearing process used to establish or change rates typically begins when the Corporation files a General Rate Application ("GRA") for its proposed electricity rate changes over the next one or two forecast years. The YUB must ensure that its decision, which fixes electricity rates, complies with appropriate principles of rate making, all relevant legislation including the *Public Utilities Act* and directives issued by Yukon Government through Orders-In-Council ("OIC") that specify how the interests of the customer and Corporation are to be balanced.

The YUB typically follows a two-stage decision process. In the first stage, the total costs that the Corporation expects it will incur to provide electricity to its customers over the forecast years are reviewed and approved. The approval of these costs determines the total revenues the Corporation is allowed to collect from its customers.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 1. Nature of operations - continued

#### b) Rate regulation - continued

It is the responsibility of the YUB to examine the legitimacy of three classes of costs:

- the costs to the Corporation to run its operations and maintain its property, plant and equipment (personnel and materials);
- the cost associated with the depreciation and amortization of all property, plant and equipment, right-of-use assets and intangible assets; and
- the return on rate base (the costs related to borrowing that portion of rate base which is financed with debt, plus the costs to provide a reasonable rate of return on that portion of rate base which is financed with equity).

The YUB assesses the prudence of costs added to rate base, which includes an allowance for funds used during construction ("AFUDC") charged to capital projects. The YUB also reviews the appropriateness of property, plant and equipment depreciation rates, which are periodically updated by the Corporation through depreciation studies.

In the second stage, the YUB approves how the revenue will be raised. This stage essentially determines the electricity rates for the various customer classes in the Yukon: wholesale, general service, industrial, residential, sentinel and street lights and secondary sales. This process is guided mainly by requirements of OIC 1995/90 and can include a cost-of-service study which allocates the Corporation's overall cost of service to the various customer classes on the basis of appropriate costing principles.

In August 2023, the Corporation filed a GRA for the years 2023 and 2024 requesting approval of revenue requirement and related rate increases of 6.25% for 2023 and 7.40% for 2024. The Corporation expects a decision from the YUB in mid-2024.

In November 2020, the Corporation filed a GRA for the year 2021 requesting approval of revenue requirement and related rate increase of 11.54%. The YUB issued an order in March 2022 requiring the Corporation to make changes and complete a Compliance Filing. The Corporation submitted the Compliance Filing in April 2022. The YUB approved the Compliance Filing, as submitted, in July 2022, resulting in an overall rate increase of 9.04%.

Notwithstanding the Compliance Filing process, in April 2022, the Corporation filed an Application for Review and Variance of the YUB order issued in March 2022. The Corporation disagreed with the YUB's decision on risk premium and disallowance of certain project costs. In August 2022, the YUB agreed to consider changes to the risk premium but not the disallowed project costs. In January 2023, the YUB approved a change to the Corporation's risk premium resulting in an increase to the Utility's return on equity to 8.65% from 8.20% and directed the Corporation to prepare a Compliance Filing. The Corporation submitted the Compliance Filing in January 2023, and in February 2023 the YUB approved the Compliance Filing, resulting in an overall rate increase of 9.63%.

Refer to Note 4 regulatory account balances.

#### c) Water regulation

The Yukon Water Board ("YWB"), pursuant to the *Yukon Waters Act*, decides if and for how long the Corporation will have water licences for the purposes of operating hydro generation stations in the Yukon. The licences will also indicate terms and conditions for the operation of these facilities. The current water licenses have the following terms:

Aishihik Generating Station	December 31, 2027
Mayo Generating Station	December 31, 2025
Whitehorse Generating Station	December 31, 2025

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 1. Nature of operations - continued

#### d) Capital structure

The Utility's policy which has been reviewed and approved by the YUB is to maintain a capital structure of approximately 60% debt and 40% equity (Note 27). When dividends are declared to the Parent, they may be loaned back in order to maintain this ratio.

#### e) Yukon Government

The Corporation and the Yukon Government signed a Memorandum of Understanding for the accounting period starting April 1, 2011 to March 31, 2042 regarding the Mayo B and Carmacks-Stewart Transmission line projects. The Yukon Government will assist in funding the repayment of a portion of the bond interest costs of up to \$2.625 million annually, subject to the Corporation meeting specified terms set out in the agreement.

The Corporation signed an agreement with the Yukon Government for the period from January 1, 2018 to March 31, 2021 for total funding of up to \$1.5 million annually to conduct Innovative Renewable Energy Initiative programs throughout the Yukon. The program is intended to encourage the development of small-scale, community-based renewable energy generation capacity. This agreement was extended for the period from April 1, 2021 to March 31, 2025, with funding of up to \$2.5 million annually.

In June 2023, the Yukon Government authorized the continuation of the Interim Electrical Rebate program (the "rebate") for 12 months to March 31, 2024. The rebate provides subsidies to non-government residential and municipal customers. It was implemented in 1998 after the Faro mine closed to protect customers from significant bill increases that would have resulted from that shutdown. The Yukon Government is providing funding for the monthly rebate based on \$0.02262/kwh applied to residential customers to a maximum of \$3.5 million annually.

The Corporation signed an agreement with the Yukon Government for the period from March 1, 2023 to May 31, 2023 and November 1, 2023 to January 31, 2024 for the continuation of the Inflation Relief Rebate program. The rebate provides subsidies to non-government residential and commercial customers. The Yukon Government is providing funding for the monthly rebate based on \$50.00 per customer per month for six months total to a maximum of \$3.246 million for the period March 1 to May 31, 2023 and a maximum of \$3.246 million for the period November 1, 2023 to January 31, 2024.

The Corporation signed an agreement with the Yukon Government for the period from April 1, 2023 to March 31, 2024 for total funding of up to \$2.0 million to support the Atlin Hydroelectric expansion project. Funding subsidizes costs related to geotechnical analysis required to finalize project design and refine total project cost estimate.

### 2. Basis of presentation

#### a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These consolidated financial statements were authorized for issue by the Board of Directors on June 13, 2024.

#### b) Basis of measurement

The financial information included in the consolidated financial statements has been prepared on a historical cost basis, except where otherwise indicated.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information

#### a) Revenue recognition

The Corporation recognizes revenue from contracts where the right to consideration from a customer corresponds directly with the value to the customer of the Corporation's performance completed to date.

The majority of the Corporation's revenues from contracts with customers are derived from the generation, purchase, transmission, distribution, and sales of electricity under the *Public Utilities Act*. The Corporation evaluates whether the contracts it enters into meet the definition of a contract with a customer at the inception of the contract and on an ongoing basis if there is an indication of a significant change in facts and circumstances.

Revenue is measured based on the transaction price specified in a contract with a customer. Revenue is recognized when control over a promised good or service is transferred to the customer and the Corporation is entitled to consideration as a result of completion of the performance obligation.

Deferred revenue is recognized when the Corporation receives consideration before the performance obligations have been satisfied. A contract asset is recorded when the Corporation has rights to consideration for the completion of a performance obligation when that right is conditional on something other than the passage of time. The Corporation recognizes unconditional rights to consideration separately as a trade receivable. Contract assets are evaluated at each reporting period to determine whether there is any objective evidence that they are impaired.

The Corporation receives amounts from customers for connection to the grid. The customer contributions related to the provision of on-going access to electricity are recognized into revenue over the useful life of the asset to which the contribution relates. The amounts received from Independent Power Producers ("IPPs") in accordance with an Electricity Purchase Agreement ("EPA") are recognized into revenue as the Corporation provides the construction activities of the related connection or if applicable over the useful life of the asset to which the contribution relates.

Electricity sales contracts are deemed to have a single performance obligation as the promise to transfer individual goods or services is not separately identifiable from other obligations in the contracts and therefore not distinct. These performance obligations are considered to be satisfied over time as electricity is delivered because of the continuous transfer of control to the customer. The method of revenue recognition for the electricity is an output method, which is based on the volume delivered to the customer.

The Corporation's electricity sales are calculated based on the customers usage of electricity during the period at the applicable published rates for each customer class. Electricity rates in the Yukon are set by the YUB. Electricity sales include an estimate of electricity deliveries not yet billed at period-end. The estimated unbilled revenue is based on estimated consumption and applicable rates for the period between the last billing date and the end of the period.

Payment for Sales of Power are due within the month following service.

The Corporation receives amounts from Yukon Government for the reimbursement of costs from electricity rebates, bond interest, the Innovative Renewable Energy Initiative program, and the Atlin Hydroelectric expansion project. The Yukon Government contributions related to these costs are recognized into revenue as the Corporation incurs the related costs.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information - continued

#### b) Translation of foreign currencies

The functional currency of the Corporation is the Canadian Dollar. Revenue and expense items denominated in foreign currencies are translated at exchange rates prevailing during the period. Monetary assets and liabilities denominated in foreign currencies are translated at period-end exchange rates. Non-monetary assets and liabilities are translated at exchange rates in effect when the assets are acquired or the obligations are incurred. Foreign exchange gains and losses are reflected in net income for the period.

#### c) Allowance for funds used during construction

The cost of the Corporation's property, plant and equipment and intangible assets includes an allowance for funds used during construction ("AFUDC"). The AFUDC rate is based on the Corporation's weighted average cost of debt.

#### d) Cash

Cash is comprised of bank account balances (net of outstanding cheques).

#### e) Inventories

Inventories consist of materials and supplies, diesel fuel and liquefied natural gas. Inventories are carried at the lesser of weighted average cost and net realizable value. Cost includes all expenditures incurred in acquiring the items and bringing them to their existing condition and location. Critical spare parts are recognized in the Corporation's property, plant and equipment.

The recoverable value of inventory considers its net realizable value, including required processing costs, and is impacted by estimates and assumptions on price, quality, recovery and exchange rates. Obsolete materials and supplies are recorded at salvage value in the period when obsolescence is determined.

#### f) Financial instruments

Financial assets and financial liabilities are recognized on the Corporation's Consolidated Statement of Financial Position when the Corporation becomes party to the contractual provisions of the instrument.

##### i) Financial assets

Cash, finance lease receivable, and accounts receivable, plus any transaction costs that are directly attributable to the acquisition of the financial asset, are initially measured at fair value. Subsequent to initial recognition, cash is measured at amortized cost and finance lease receivable and accounts receivable are measured at amortized cost using the effective interest rate method less any impairment. The Corporation's business model is to hold these assets to collect contractual cash flows.

A provision for impairment of accounts receivable is established applying the expected credit loss model based on all possible default events over the expected life of the financial asset. For trade accounts receivable, the Corporation applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables. For the other receivables, at the reporting date, if credit risk has increased significantly since initial recognition, the Corporation measures the loss allowance at an amount equal to the lifetime expected credit losses, otherwise, if the credit risk has not increased significantly since initial recognition, the Corporation measures the loss allowance at an amount equal to 12-month expected credit losses.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information - continued

#### f) Financial instruments - continued

Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or require financial reorganization, and default or delinquency in payments are considered indicators that the related accounts receivable are impaired. The accounts receivable carrying amount is reduced through the use of an allowance account and the loss is recognized in net income. A financial asset is derecognized when the rights to receive cash flows from the asset have expired, or the Corporation has transferred its rights to receive cash flows from the asset and has transferred substantially all of the risk and rewards of the asset.

Derivative financial instruments are financial contracts that derive their value from changes in an underlying variable. The Corporation has entered into interest rate swaps to manage interest rate risk. The Corporation's interest rate swaps are classified as fair value through profit and loss and are thus recognized at fair value on the date the contract has been entered into with any subsequent realized and unrealized gains and losses recognized in net income during the period in which the fair value movement occurred.

The fair value of the derivative related asset is calculated using market implied forward rates and discount factors, such as those for a Canadian dollar index, and which are specific to the credit risk and term to maturity of the asset. As the derivative related asset is fair valued using observable market data other than quoted prices for the asset, these inputs and the asset are categorized as level 2 in the fair value hierarchy.

#### ii) Financial liabilities

Bank indebtedness, accounts payable and accrued liabilities, and long-term debt are initially measured at fair value less any transaction costs that are directly attributable to the issuance of the financial liability. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method. A financial liability is derecognized when the obligation is discharged or cancelled, or expires.

Transaction costs are presented as a reduction from the carrying value of the related debt and are amortized using the effective interest rate method over the terms of the debts to which they relate. Transaction costs include fees paid to agents, brokers and advisors but exclude debt discounts and lender financing costs.

The fair value of the long-term debt is calculated using the net present value of principal and interest cash flows. The discount rates used in the present value calculation are obtained from the issuing banking institutions, and are specific to the credit risk and term to maturity associated with the long-term debt. As these discount rates are based on unobservable data, they are categorized as level 3 inputs in the fair value hierarchy.

#### g) Property, plant and equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any asset impairment charges. Cost includes the direct costs of acquisition and materials, direct labour, and, if applicable, an allocation of directly attributable overhead costs, AFUDC and any asset retirement costs associated with the property, plant and equipment.

AFUDC is applied to actual costs in work-in-progress less any contributions in aid of construction. For items of property, plant and equipment acquired prior to January 1, 2011, the AFUDC rate also included a regulatory cost of equity component as allowed by the YUB. Capitalization of AFUDC ceases when the asset being constructed is substantially ready for its intended purpose.

Assets under construction are recognized as construction work-in-progress until they are operational and available for use, at which time they are transferred to the applicable component of property, plant and equipment.



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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 3. Material accounting policy information - continued

##### g) Property, plant and equipment - continued

Depreciation is recognized in net income based on the straight-line method over the estimated useful life of each major component of property, plant and equipment.

The range of estimated useful lives of the major classes and subclasses of property, plant and equipment is as follows:

Generation	
Hydroelectric plants	20 to 103 years
Thermal plants	12 to 72 years
Transmission	12 to 65 years
Distribution	16 to 55 years
Land	No Depreciation
Buildings	20 to 55 years
Transportation	8 to 25 years
Other equipment	5 to 20 years

Depreciation commences when an asset is available for use. The estimated useful lives of the assets are based upon depreciation studies conducted periodically by the Corporation and any changes in the estimated useful life are accounted for prospectively.

Major overhaul costs are capitalized and depreciated on a straight-line basis over the period of the expected useful life (until the next major overhaul) which varies from 2 to 10 years. Repairs and maintenance costs of property, plant and equipment are expensed as incurred unless they meet the criteria of a betterment.

##### h) Intangible assets

Intangible assets are carried at cost less accumulated amortization and any asset impairment charges. Cost includes the direct costs of acquisition and materials, direct labour, and, if applicable, an allocation of directly attributable overhead costs and AFUDC.

Amortization commences when an asset is available for use. Licenses are available for use when the license period commences. Amortization is recognized in net income on a straight-line basis over the estimated useful lives as follows:

Software	5 years
Financial software	10 years
Licensing costs	
Aishihik	5 years
Other hydro generation	17 to 25 years
Thermal Permit	3 years
Other Intangibles	5 years

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 3. Material accounting policy information - continued

##### i) Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset. The Corporation assesses whether:

- (i) The contract involves the use of an identified asset;
- (ii) The Corporation has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- (iii) The Corporation has the right to direct the use of the asset.

At inception, the Corporation allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices.

The Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability and any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Corporation elected to exclude short-term leases with a term of twelve months or less as well as leases of low value assets, and accounts for the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Right-of-use assets are tested for impairment in accordance with IAS 36, *Impairment of Assets*, and impairments are recorded in net income.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Generally, the Corporation uses its incremental borrowing rate as the discount rate. Subsequent to recognition, the lease liability is measured at amortized cost using the effective interest rate method. A lease liability is remeasured when there is a change in future lease payments arising mainly from a change in an index or rate, or if the Corporation changes its assessment of whether it will exercise a renewal or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in net income if the carrying amount of the right-of-use assets has been reduced to zero.

##### j) Impairment of non-financial assets

Property, plant and equipment, and intangible assets with finite lives are reviewed for impairment on an annual basis if there is an indication that the carrying amount may not be recoverable. Impairment is assessed at the level of cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use and fair value less costs to sell ("FVLCS").



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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information - continued

#### j) Impairment of non-financial assets - continued

Value in use is the net present value of expected future cash flows of the relevant cash-generating unit in its current condition. The best evidence of FVLCS is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCS is based on the best information available to reflect the amount the Corporation could receive for the cash-generating unit in an arm's length transaction.

This is often estimated using discounted cash flow techniques and where unobservable inputs are material to the measurement of the recoverable amount, the measurement is classified as level 3 in the fair value hierarchy. The cash flow forecasts for FVLCS purposes are based on management's best estimates of expected future revenues and costs, including the future cash costs of production, capital expenditure, closure, restoration and environmental cleanup. For regulatory debit balances the impairment review focuses on whether the amount is considered collectible based on the expected cash flows from the rates approved by the YUB.

These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period. Changes in these assumptions may alter the results of impairment testing, impairment charges recognized in net income and the resulting carrying amounts of the assets.

#### k) Rate regulated accounting policies

##### Regulatory deferral accounts

Regulatory deferral accounts in these consolidated financial statements are accounted for differently than they would be in the absence of rate regulation; these are referred to throughout the statements as Regulatory Accounts. The Corporation defers certain costs or revenues as regulatory debit balances or regulatory credit balances on the Consolidated Statement of Financial Position and recognizes changes in the regulatory account balances in the net movement in regulatory account balances in the Consolidated Statement of Operations and Other Comprehensive Income. The amounts recognized as regulatory account balances are expected to be recovered or refunded in future rates, based on approvals by the YUB. The recovery or settlement of regulatory balances through future rates is impacted by demand risk and regulatory risks (e.g. potential future decisions of the YUB which could result in material adjustments to these regulatory debit balances and regulatory credit balances as described in Note 1(b)).

##### i) Regulatory debit balances

Regulatory debit balances represent costs which are expected to be recovered from customers in future periods through the rate-setting process. In the absence of rate regulation and the Corporation's adoption of IFRS 14, *Regulatory Deferral Accounts*, such costs would be expensed as incurred.

##### ii) Regulatory credit balances

Regulatory credit balances represent future reductions or limitations of increases in revenues associated with amounts that are expected to be refunded to customers as a result of the rate-setting process. In the absence of rate regulation and the Corporation's adoption of IFRS 14, such amounts would be recorded in income as performance obligations are met.

Note 11 describes the individual regulatory debits and credits, the Corporation's related regulatory deferral and amortization policies and describes the related account activity in the relevant periods.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information - continued

#### **l) Provision for asset retirement obligations**

The Corporation has legal obligations related to the closure and restoration of property, plant and equipment, which includes the costs of dismantling, demolition of infrastructure and the removal of residual materials and remediation of the disturbed areas.

Where a reliable estimate of the present value of these obligations can be determined, the total retirement costs are recognized as a provision in the accounting period when the obligation arises. There is also a corresponding increase to property, plant and equipment upon recognition of the obligation.

Management estimates its costs based on feasibility and engineering studies and assessments using current restoration standards and techniques.

#### **m) Provision for environmental liabilities**

Environmental liabilities consist of the estimated costs related to the remediation of environmentally contaminated sites. The Corporation will accrue a provision when it has a present obligation as a result of a past event to remediate the contaminated site, it is expected that future economic benefits will be given up to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

If the likelihood of the Corporation's obligation to incur these costs is either not determinable or the amount of the obligation cannot be reliably estimated, the contingency is disclosed in the notes to the consolidated financial statements.

The Corporation reviews its provision for environmental liabilities on an ongoing basis and any changes are recognized in net income for the current period.

#### **n) Contributions in aid of construction**

Certain property, plant and equipment additions are made with financial assistance from the Yukon Government or the Government of Canada. These contributions are deferred upon receipt and amortized to income on the same basis as the assets to which they relate.

#### **o) Post-employment benefits and other comprehensive income**

The Corporation sponsors an employee defined benefit pension plan for employees joining the Corporation before January 1, 2002. The Corporation also sponsors an executive defined benefit pension plan and supplemental executive retirement plan for a former executive. Benefits provided are calculated based on length of pensionable service, pensionable salary at retirement age and negotiated rates. The Corporation contributes amounts to the pension plans as recommended by an independent actuary.

For the defined benefit pension plans, the cost of pension benefits is actuarially determined using the projected benefits method, prorated on service, and reflects management's best estimates of investment returns, wage and salary increases, and age at retirement. Remeasurements of the net defined benefit liability, including actuarial gains and losses and return on plan assets, are recognized in other comprehensive income ("OCI") and are not reclassified to net income in a subsequent period.

The Corporation's policy is to immediately transfer actuarial gains and losses recognized in OCI to retained earnings. The expected return on plan assets is based on the fair value of these assets.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 3. Material accounting policy information - continued

##### o) Post-employment benefits and other comprehensive income - continued

Employees joining the Corporation after January 1, 2002 are eligible for a defined contribution retirement plan and are not eligible to participate in the defined benefit pension plan. The Corporation has no legal or constructive obligation to pay further contributions with respect to this plan. Contributions are recognized as an expense in the year when employees have rendered service and represents the obligation of the Corporation.

##### p) Future application of changes in accounting standards

On May 16, 2022, Refinitiv Benchmark Services (UK) Limited (RBSL) announced the decision to cease the publication of Canadian Dollar Offered Rate (CDOR) after June 28, 2024. The transition is expected to impact derivatives and non-derivative instruments of the Corporation.

The impacted derivatives include all interest rate swap agreements with TD Bank. The swaps have a fair value at year end of \$2,405,000. The impacted non-derivatives include the long-term debt held with TD Bank and others who have yet to transition, as well as the Minto Decommissioning Fund. As at year end, the total fair value of long-term debt is \$236,975,000, while the total balance of the decommissioning fund is \$3,028,000.

The transition will impact the rates used to calculate the fair value of the long-term debt and derivatives, and the interest rate earned by the decommissioning fund.

For the TD Bank derivatives, and most long-term debt, the banks providing the Corporation with fair value percentages are expected to transition from the CDOR 1-month to the Canadian Overnight Repo Rate Average (CORRA). The transition is expected to impact the fair value amount of the interest rate swaps and the long-term debt as the CDOR rates were previously used to calculate fair value.

For the decommissioning fund held at CIBC, interest is currently based on the CDOR 3-month rate. As the basis for calculating cash flows from interest will change, the transition is expected to impact cash and deferred revenue related to the fund.

The interest rate benchmark reform has not resulted in changes to the Corporation's risk management strategy. Management has been monitoring the transition and has assessed the overall risk arising from the transition as low. The full impact of the amendments is currently not known and will be assessed at conversion in 2024.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of judgement in applying accounting policies and in making critical accounting estimates that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of any contingent assets and liabilities. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ from the amounts included in the consolidated financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the consolidated financial statements, and the key areas are summarized below. Areas of significant judgements and estimates made by management in preparing these consolidated financial statements include:

#### **Impairment of financial assets – Note 3(f)(i)**

An evaluation of whether or not an asset is impaired involves consideration of whether indicators of impairment exist. Management continually monitors the Corporation's operations and makes judgements and assessments about conditions and events in order to conclude whether possible impairment exists.

#### **Impairment of non-financial assets - Note 3(j)**

An evaluation of whether or not an asset is impaired involves consideration of whether indicators of impairment exist. Management continually monitors the Corporation's operations and makes judgements and assessments about conditions and events in order to conclude whether possible impairment exists.

#### **Asset retirement obligations - Notes 3(l) and 24**

In determining the present value of the obligation, the Corporation must estimate the amount and timing of the future cash payments and then apply an appropriate risk-free interest rate. Any change to the anticipated amount, timing of future payments or risk-free interest rate can result in a change to the obligation.

#### **Depreciation - Notes 3(g), 7 and 9**

Significant components of property, plant and equipment are depreciated straight line over their estimated useful lives. Useful lives are determined based on current facts and past experience and the results of depreciation studies.

While these useful life estimates are reviewed on a regular basis and depreciation calculations are revised accordingly, actual lives may differ from the estimates. As such, assets may continue in use after being fully depreciated, or may be retired or disposed of before being fully depreciated. The latter could result in additional depreciation expense in the period of disposition.

#### **Intangible assets - Notes 3(h) and 10**

In determining whether to recognize costs as intangible assets, management makes judgements about when the criteria for recognition are met. Management also makes judgements about which costs in work-in-progress pertain to a particular new license because licensing activities occur on a continuing basis. Changes to management's judgements would affect the carrying amount of the Corporation's intangible assets and amortization recognition.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 4. Significant accounting judgements, estimates and assumptions - continued

#### **Post-employment benefits - Notes 3(o) and 15**

The Corporation accrues for its obligations under defined benefit pension plans using actuarial valuation methods and other assumptions to estimate the projected benefit obligation and the associated expense related to the current period. The key assumptions utilized include the long-term rate of inflation, rates of future compensation, liability discount rates and the expected return on plan assets. The Corporation consults with qualified actuaries when setting the assumptions used to estimate benefit obligations. Actual rates could vary significantly from the assumptions and estimates used.

#### **Revenue - Note 3(a), 11(a)(viii), 18 and 19**

In years where the Corporation has submitted a General Rate Application and the decision from the Yukon Utilities Board is outstanding, the Corporation estimates the recovery amount of the GRA revenue requested.

The Corporation estimates usage not yet billed at year end, which is included in revenues from sales of power. This accrual is based on an assessment of unbilled electricity supplied to customers between the date of the last meter reading and the year end. Management applies judgement to the measurement of the estimated consumption. Significant judgements have also been made in determining the nature of the Corporation's performance obligations, the appropriate measurement and the contract terms to be used in recognizing the related revenue.

#### **Provisions and contingencies - Notes 3(m) and 24**

Management is required to make judgements to assess if the criteria for recognition of provisions and contingencies are met, in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.

Key judgements are whether a present obligation exists and the probability of an outflow being required to settle that obligation. Key assumptions in measuring recognized provisions include the timing and amount of future payments and the discount rate applied.

Where the Corporation is defending certain lawsuits management must make judgements, estimates and assumptions about the final outcome, timing of trial activities and future costs as at the period end date. Management will obtain the advice of its external counsel in determining the likely outcome and estimating the expected obligations associated with these lawsuits; however, the ultimate outcome or settlement costs may differ from management's estimates.

#### **Financial instruments - Notes 3(f) and 26**

The Corporation enters into financial instrument arrangements which may require management to make judgements to determine if such arrangements are derivative instruments in their entirety or contain embedded derivatives, in accordance with IFRS 9, *Financial Instruments*. Key judgements are whether certain non-financial items are readily convertible to cash, whether similar contracts are routinely settled net in cash or delivery of the underlying commodity taken and then resold within a short period, and whether the value of a contract changes in response to a change in an underlying rate, price, index or other variable.

#### **Regulatory account balances - Notes 1(b), 3(k) and 11**

The Corporation accounts for its regulatory accounts in accordance with IFRS 14 and the decisions of the YUB. As discussed in Note 1(b) the recovery of these balances will be determined by the YUB as part of the regulatory proceeding to approve the GRA. Management is required to make judgements about the extent that the Corporation will be permitted to incorporate deferred amounts in future rates.

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 5. Accounts receivable

	2023	2022
Trade accounts receivable		
Retail energy sales	\$ 6,281	\$ 8,426
Wholesale energy sales	5,061	6,404
Due from related parties (Note 22)	11,137	16,595
Other	2,501	1,231
	<b>\$ 24,980</b>	<b>\$ 32,656</b>

Included in Accounts receivable - Other is an amount of \$831,000 (2022 - \$496,000) related to GST ITC receivable.

At December 31, 2023, the aging of accounts receivable is as follows:

	Current	31 - 90 Days	Over 90 Days	Total
Accounts receivable	\$ 16,135	\$ 5,713	\$ 4,642	\$ 26,490
Allowance for doubtful accounts	-	-	(1,510)	(1,510)
	<b>\$ 16,135</b>	<b>\$ 5,713</b>	<b>\$ 3,132</b>	<b>\$ 24,980</b>

At December 31, 2022, the aging of accounts receivable is as follows:

	Current	31 - 90 Days	Over 90 Days	Total
Accounts receivable	\$ 27,715	\$ 3,262	\$ 1,689	\$ 32,666
Allowance for doubtful accounts	-	-	(10)	(10)
	<b>\$ 27,715</b>	<b>\$ 3,262</b>	<b>\$ 1,679</b>	<b>\$ 32,656</b>

A reconciliation of the beginning and ending amount of allowance for doubtful accounts is as follows:

	2023	2022
Allowance for doubtful accounts at beginning of year	\$ (10)	\$ (10)
Additions to allowance for doubtful accounts (Notes 21 and 26)	(1,500)	-
Allowance for doubtful accounts at end of year	<b>\$ (1,510)</b>	<b>\$ (10)</b>

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 6. Inventories

	2023	2022
Materials and supplies	\$ 3,777	\$ 3,562
Diesel fuel	1,192	1,312
Liquefied natural gas	103	70
	<b>\$ 5,072</b>	<b>\$ 4,944</b>

### 7. Leases

The Corporation leases industrial land and building facilities. During the year, the Corporation renewed a building lease for a term of five years. In 2022 the Corporation commenced a land lease for the Energy Storage System for a term of twenty-five years. The Corporation paid the lease in 2022.

Right-of-use assets consist of land of \$1,063,000 (2022 - \$1,139,000) and building of \$713,000 (2022 - \$92,000).

	2023	2022
<b>Right-of-use assets</b>		
As at January 1	\$ 1,231	\$ 234
Additions	750	1,181
Depreciation expense	(205)	(184)
At December 31	<b>\$ 1,776</b>	<b>\$ 1,231</b>

#### Lease liabilities

Lease liabilities	\$ 855	\$ 265
Less: current portion	160	130
Non-current portion	<b>\$ 695</b>	<b>\$ 135</b>

#### Maturity analysis

Less than one year	\$ 205	\$ 137
One to five years	772	145
More than five years	-	-
Total undiscounted lease liabilities	<b>\$ 977</b>	<b>\$ 282</b>

#### Amounts recognized in net income

Depreciation expense on right-of-use assets	\$ 205	\$ 184
Interest expense on lease liabilities	\$ 18	\$ 8
Expense relating to short-term leases	<b>\$ 3,595</b>	<b>\$ 3,261</b>



# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 8. Direct financing lease

The Corporation's investments in direct financing leases are summarized as follows:

	2023	2022
Direct financing leases	\$ -	\$ 85
Less: current portion	-	-
	<b>\$ -</b>	<b>\$ 85</b>

In 2003, the Corporation financed an electric boiler system for the Yukon Hospital Corporation at a cost of \$595,898. The repayment terms on this lease stipulate that one half of the realized energy cost savings resulting from the boiler usage during the year will be repaid against the investment. Interest on this investment is earned at the rate of 7.5% per annum and recognized as interest income.

As per the terms of the financing lease agreement, any remaining balance at April 1, 2023 will be forgiven by the Corporation. Therefore, the remainder of this finance lease was forgiven in 2023.

### 9. Property, plant and equipment

A reconciliation of the changes in the carrying amount of property, plant and equipment is as follows:

	Generation	Transmission & Distribution	Land	Buildings & Other Equipment	Transportation	Construction Work in Progress	Total
<b>Costs:</b>							
At December 31, 2021	\$ 324,431	224,980	1,615	19,650	5,484	3,808	579,968
Additions	-	-	-	-	-	39,469	39,469
Transfers	6,979	6,086	-	624	525	(14,214)	-
Disposals	(1,313)	(8)	-	(407)	(209)	-	(1,937)
At December 31, 2022	\$ 330,097	231,058	1,615	19,867	5,800	29,063	617,500
Additions	-	-	-	12	-	63,621	63,633
Transfers	10,622	15,686	-	1,618	1,052	(28,978)	-
Disposals	(3,467)	(140)	-	(112)	(27)	-	(3,746)
At December 31, 2023	\$ 337,252	246,604	1,615	21,385	6,825	63,706	677,387
<b>Accumulated depreciation:</b>							
At December 31, 2021	\$ 45,604	37,155	-	5,631	2,423	-	90,813
Depreciation	6,882	4,572	-	724	616	-	12,794
Disposals	(1,313)	(3)	-	(378)	(161)	-	(1,855)
At December 31, 2022	\$ 51,173	41,724	-	5,977	2,878	-	101,752
Depreciation	6,809	4,491	-	737	490	-	12,527
Disposals	(2,521)	(95)	-	(111)	(27)	-	(2,754)
At December 31, 2023	\$ 55,461	46,120	-	6,603	3,341	-	111,525
<b>Net Book Value:</b>							
At December 31, 2022	\$ 278,924	189,334	1,615	13,890	2,922	29,063	515,748
At December 31, 2023	\$ 281,791	200,484	1,615	14,782	3,484	63,706	565,862

The AFUDC capitalized for 2023 was \$1,836,000 (2022 - \$1,056,000). The AFUDC rate estimate for 2023 was 2.77% (2022 - 2.61%).



# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 10. Intangible assets

A reconciliation of the changes in the carrying amount of intangible assets is as follows:

	Software	Deferred Service Costs	Financial Software	Water Licensing	Thermal Permit	Other Intangibles	Work in Progress	Total
<b>Costs:</b>								
At December 31, 2021	\$ 1,303	443	6,955	1,288	-	-	13,450	23,439
Additions	-	-	-	-	-	-	3,904	3,904
Transfers	278	-	-	-	-	-	(278)	-
Disposals	(396)	-	-	(805)	-	-	-	(1,201)
At December 31, 2022	\$ 1,185	443	6,955	483	-	-	17,076	26,142
Additions	-	-	-	-	-	-	7,247	7,247
Transfers	258	-	-	3,903	-	-	(4,161)	-
Disposals	(259)	-	-	(147)	-	-	-	(406)
At December 31, 2023	\$ 1,184	443	6,955	4,239	-	-	20,162	32,983
<b>Accumulated amortization:</b>								
At December 31, 2021	\$ 657	443	2,614	830	-	-	-	4,544
Amortization	235	-	554	339	-	-	-	1,128
Disposals	(396)	-	-	(805)	-	-	-	(1,201)
At December 31, 2022	\$ 496	443	3,168	364	-	-	-	4,471
Amortization	233	-	492	820	-	-	-	1,545
Disposals	(228)	-	-	(147)	-	-	-	(375)
At December 31, 2023	\$ 501	443	3,660	1,037	-	-	-	5,641
<b>Net Book Value:</b>								
At December 31, 2022	\$ 689	-	3,787	119	-	-	17,076	21,671
At December 31, 2023	\$ 683	-	3,295	3,202	-	-	20,162	27,342

Additions to Financial Software, Water Licensing, Thermal permit and Other Intangibles were almost exclusively internally generated. Additions to Software was almost exclusively externally purchased.

The table above has been updated to present work in progress separately from Intangible Assets that are in service. Work in Progress consists of Software \$64,000 (2022 – \$6,000), Financial Software \$118,000 (2022 – \$100,000), Water Licensing \$19,576,000 (2022 – \$16,970,000), Thermal Permit \$138,000 (2022 – \$0) and Other Intangibles \$266,000 (2022 – \$0).

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

### 11. Regulatory accounts

#### a) Regulatory debit balances

	Feasibility Studies (i)	Regulatory Costs (ii)	Dam Safety (iii)	Deferred Overhauls (iv)	Uninsured Losses (v)	Fuel Price Adjustment (vi)	Subtotal see next page
<b>Cost:</b>							
At December 31, 2021	\$ 21,663	\$ 7,663	\$ 255	\$ 2,768	\$ 3,006	\$ 1,323	\$ 36,678
Costs incurred	115	2,380	-	-	2,006	-	4,501
Regulatory provision	-	(903)	-	390	(411)	3,705	2,781
Disposals	(4,971)	(493)	-	(1,759)	-	(1,863)	(9,086)
Contributions received	-	(263)	-	-	-	-	(263)
At December 31, 2022	16,807	8,384	255	1,399	4,601	3,165	34,611
Costs incurred	1,510	3,363	-	-	555	-	5,428
Regulatory provision	-	(413)	-	(98)	(411)	2,193	1,271
Disposals	650	(423)	-	-	-	(2,112)	(1,885)
Contributions received	-	(453)	-	-	-	-	(453)
At December 31, 2023	\$ 18,967	\$ 10,458	\$ 255	\$ 1,301	\$ 4,745	\$ 3,246	\$ 38,972
<b>Accumulated amortization:</b>							
At December 31, 2021	\$ 6,511	\$ 872	\$ 25	\$ 1,851	\$ 1,052	\$ -	\$ 10,311
Amortization	1,491	295	51	18	205	-	2,060
Disposals	(4,963)	-	-	(1,759)	-	-	(6,722)
At December 31, 2022	3,039	1,167	76	110	1,257	-	5,649
Amortization	1,074	321	51	138	205	-	1,789
Disposals	650	(349)	-	-	-	-	301
At December 31, 2023	\$ 4,763	\$ 1,139	\$ 127	\$ 248	\$ 1,462	\$ -	\$ 7,739
<b>Net book value:</b>							
At December 31, 2022	\$ 13,768	\$ 7,217	\$ 179	\$ 1,289	\$ 3,344	\$ 3,165	\$ 28,962
At December 31, 2023	\$ 14,204	\$ 9,319	\$ 128	\$ 1,053	\$ 3,283	\$ 3,246	\$ 31,233
Net increase (decrease) in regulatory debit balances (which are recognized in the net movement in regulatory balances related to net income on the Consolidated Statement of Operations and Other Comprehensive Income):							
December 31, 2022	\$ (1,384)	\$ 426	\$ (51)	\$ 372	\$ 1,390	\$ 1,842	\$ 2,595
December 31, 2023	\$ 436	\$ 2,102	\$ (51)	\$ (236)	\$ (61)	\$ 81	\$ 2,271
Remaining recovery years							
At December 31, 2022	1 to 5 years	1 to 31 years	4 years	5 to 10 years	Indeterminate	1 year	
At December 31, 2023	1 to 5 years	1 to 30 years	3 years	3 years	Indeterminate	1 year	
Absent rate regulation, net income for the year and net movement in regulatory balances on the Consolidated Statement of Operations and Other Comprehensive Income would increase (decrease) by:							
December 31, 2022	\$ 1,384	\$ (426)	\$ 51	\$ (372)	\$ (1,390)	\$ (1,842)	\$ (2,595)
December 31, 2023	\$ (436)	\$ (2,102)	\$ 51	\$ 236	\$ 61	\$ (81)	\$ (2,271)

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

### 11. Regulatory accounts - continued

#### a) Regulatory debit balances - continued

	Carry Forward	Vegetation Management (vii)	2023/24 GRA (viii)	2021 GRA (ix)	IPP Purchase Costs (x)	Total
<b>Cost:</b>						
At December 31, 2021	\$ 36,678	\$ 2,216	\$ -	\$ 4,330	\$ -	\$ 43,224
Costs incurred	4,501	-	-	-	26	4,527
Regulatory provision	2,781	-	-	2,269	-	5,050
Disposals	(9,086)	-	-	(3,960)	-	(13,046)
Contributions received	(263)	-	-	-	-	(263)
At December 31, 2022	\$ 34,611	\$ 2,216	\$ -	\$ 2,639	\$ 26	\$ 39,492
Cost incurred	5,428	-	-	-	-	5,428
Regulatory provision	1,271	-	5,667	-	-	6,938
Disposals	(1,885)	-	-	(1,957)	-	(3,842)
Contributions received	(453)	-	-	-	-	(453)
At December 31, 2023	\$ 38,972	\$ 2,216	\$ 5,667	\$ 682	\$ 26	\$ 47,563
<b>Accumulated amortization:</b>						
At December 31, 2021	\$ 10,311	\$ 1,109	\$ -	\$ -	\$ -	\$ 11,420
Amortization	2,060	221	-	3,960	-	6,241
Disposals	(6,722)	-	-	(3,960)	-	(10,682)
At December 31, 2022	5,649	1,330	-	-	\$ -	6,979
Amortization	1,789	222	-	1,957	-	3,968
Disposals	301	-	-	(1,957)	-	(1,656)
At December 31, 2023	\$ 7,739	\$ 1,552	\$ -	\$ -	\$ -	\$ 9,291
<b>Net book value:</b>						
At December 31, 2022	\$ 28,962	\$ 886	\$ -	\$ 2,639	\$ 26	\$ 32,513
At December 31, 2023	\$ 31,233	\$ 664	\$ 5,667	\$ 682	\$ 26	\$ 38,272
Net increase (decrease) in regulatory debit balances (which are recognized in the net movement in regulatory account balances on the Consolidated Statement of Operations and Other Comprehensive Income):						
December 31, 2022	\$ 2,595	\$ (221)	\$ -	\$ (1,691)	\$ 26	\$ 709
December 31, 2023	\$ 2,271	\$ (222)	\$ 5,667	\$ (1,957)	\$ -	\$ 5,759
Remaining recovery years						
At December 31, 2022		4 years	N/A	1 year	N/A	
At December 31, 2023		3 years	2 years	1 year	Indeterminate	
Absent rate regulation, net Income for the year and net movement in regulatory account balances on the Consolidated Statement of Operations and Other Comprehensive Income would increase (decrease) by:						
December 31, 2022	\$ (2,595)	\$ 221	\$ -	\$ 1,691	\$ (26)	\$ (709)
December 31, 2023	\$ (2,271)	\$ 222	\$ (5,667)	\$ 1,957	\$ -	\$ (5,759)

#### (i) Feasibility studies and infrastructure planning

The Corporation undertakes certain studies to determine the feasibility of a range of projects and infrastructure proposals. While in progress, the costs of these studies are deferred within this account. The Corporation is directed to defer and amortize the costs over terms (between five and ten years) at the discretion of the YUB. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 11. Regulatory accounts - continued

##### a) Regulatory debit balances - continued

###### (ii) Regulatory costs

These costs are associated with the YUB regulatory proceedings. The costs consist primarily of various rate and project review proceedings but also include resource plans and demand side management costs (consumer energy conservation program). The Corporation is directed to defer and amortize the costs over terms at the discretion of the YUB. During the year, \$413,000 (2022 - \$903,000) was transferred to the regulatory credit balance class hearing reserve (Note 11(b)(ii)) and disallowed costs of \$423,000 (2022 - \$493,000) were derecognized. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

###### (iii) Dam safety review

The Corporation has a program of conducting safety reviews of its dams in accordance with standards set by the Canadian Dam Association. External consultants are hired every five years with intermittent costs incurred in the interim periods. These costs are being amortized over five years. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

###### (iv) Deferred overhauls

YUB Order 2013-01 restricted inclusion of property, plant and equipment overhaul depreciation expense in rates charged to customers until the Corporation comes before the YUB for a prudence review. As such, starting in 2013 the Corporation deferred depreciation expense related to overhauls. In 2017, the Corporation came before the YUB for a prudence review and began to recognize these deferred depreciation amounts. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

###### (v) Uninsured losses

Uninsured losses is an account maintained to address uninsured and uninsurable losses as well as the deductible portion of insured losses. The account is maintained through an annual provision and collected through customer rates. There is an annual regulatory provision of \$411,000 and amortization of the forecast 2020 accumulated balance of \$2,048,000 over ten years (\$205,000 per year). In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

###### (vi) Fuel price adjustment

OIC 1995/90 directs the YUB to permit the Corporation to adjust electricity rates to reflect fluctuations in the price of diesel fuel. The amount by which actual fuel prices vary from the long-term average prices is deferred and recovered from or refunded to customers in a future period through Rider F. As part of the 2021 GRA, the balance as at December 31, 2021 of \$1,323,000 was transferred to the regulatory debit balance class 2021 GRA (Note 11(a)(ix)). For the period January 1, 2021 through June 30, 2021 the charge was 1.371 cents per kWh. For the period July 1, 2021 to July 31, 2022, the charge was reduced to 0.000 cents per kWh. Effective August 1, 2022, the charge was increased to 0.865 cents per kWh. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred and revenues be recognized as earned.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 11. Regulatory accounts - continued

##### a) Regulatory debit balances - continued

###### (vii) Vegetation management

Prior to 2017, the Corporation was deferring annual brushing costs in excess of a prescribed maximum annual amount based on a review of prior year brushing costs. In 2017, the Corporation established a vegetation management policy and as a result of expected annual costs, deferral is no longer required.

The Corporation completes a full cycle of all its brushing requirements every 10 years and is amortizing previously deferred costs over a 10 year period. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

###### (viii) 2023/24 GRA

The Corporation recognizes a regulatory debit balance when the Corporation has the right, as a result of the actual or expected actions of the rate regulator, to increase rates in future periods in order to recover its allowable costs plus return on rate base, as described in Note 1(b). The amount recognized represents management's best estimates of revenues for rates to be approved by the YUB less amounts received from customers. As part of the 2023/24 GRA, \$5,667,000 was recognized for increase in revenue requirement. This amount is reflected in the regulatory provision line. The ending balance at December 31 comprises the Corporation's remaining revenue shortfall to be collected from customers in future years.

###### (ix) 2021 GRA

The Corporation recognizes a regulatory debit balance when the Corporation has the right, as a result of the actual or expected actions of the rate regulator, to increase rates in future periods in order to recover its allowable costs plus return on rate base, as described in Note 1(b). The amount recognized represents the amount approved by the YUB in February 2023, less amounts received from customers. The ending balance at December 31 comprises the Corporation's remaining revenue shortfall to be collected from customers in future years.

###### (x) IPP purchase costs

OIC 2019/25 directs that in setting rates that the Corporation is permitted to charge, it is able to recover the costs of purchasing electricity under an electricity purchase agreement with Independent Power Producers ("IPP's"). As such, starting in 2022 the Corporation deferred costs to be charged to ratepayers in future years. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

### 11. Regulatory accounts - continued

#### b) Regulatory credit balances

	Deferred Insurance Proceeds (i)	Hearing Reserve (ii)	Low Water Reserve Fund (iii)	Future Removal and Site Restoration (iv)	Contracts with Customers (v)	McQuesten Substation (vi)	Subtotal see next page
<b>Cost:</b>							
At December 31, 2021 \$	11,122	\$ 745	\$ 2,782	\$ 2,739	\$ 5,156	\$ 1,834	\$ 24,378
Costs incurred	-	-	-	(49)	-	-	(49)
Regulatory provision	-	(653)	7,114	-	(96)	692	7,057
Cash received	-	-	-	-	-	-	-
Disposals	-	(973)	-	-	-	-	(973)
At December 31, 2022	11,122	(881)	9,896	2,690	5,060	2,526	30,413
Costs incurred	-	-	-	(653)	-	-	(653)
Regulatory provision	4,500	(166)	5,791	-	(96)	1,348	11,377
At December 31, 2023 \$	15,622	\$ (1,047)	\$ 15,687	\$ 2,037	\$ 4,964	\$ 3,874	\$ 41,137
<b>Accumulated amortization:</b>							
At December 31, 2021 \$	7,392	\$ 972	\$ -	\$ -	\$ -	\$ -	\$ 8,364
Amortization	248	-	-	-	-	-	248
Disposals	-	(972)	-	-	-	-	(972)
At December 31, 2022	7,640	-	-	-	-	-	7,640
Amortization	249	-	-	-	-	-	249
At December 31, 2023 \$	7,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,889
<b>Net book value:</b>							
At December 31, 2022 \$	3,482	\$ (881)	\$ 9,896	\$ 2,690	\$ 5,060	\$ 2,526	\$ 22,773
At December 31, 2023 \$	7,733	\$ (1,047)	\$ 15,687	\$ 2,037	\$ 4,964	\$ 3,874	\$ 33,248
Net (increase) decrease in regulatory credit balances (which are recognized in the net movement of regulatory balances related to net income on the Consolidated Statement of Operations and Other Comprehensive Income):							
December 31, 2022 \$	248	\$ 654	\$ (7,114)	\$ 49	\$ 96	\$ (692)	\$ (6,759)
December 31, 2023 \$	(4,251)	\$ 166	\$ (5,791)	\$ 653	\$ 96	\$ (1,348)	\$ (10,475)
Remaining recovery years							
At December 31, 2022	14 years	Indeterminate	Indeterminate	Indeterminate	45 years	51 years	
At December 31, 2023	13 years	Indeterminate	Indeterminate	Indeterminate	44 years	50 years	
Absent rate regulation, net income for the year and net movement in regulatory balances on the Consolidated Statement of Operations and Other Comprehensive Income would increase (decrease) by:							
December 31, 2022 \$	(248)	\$ (654)	\$ 7,114	\$ (49)	\$ (96)	\$ 692	\$ 6,759
December 31, 2023 \$	4,251	\$ (166)	\$ 5,791	\$ (653)	\$ (96)	\$ 1,348	\$ 10,475

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

### 11. Regulatory accounts - continued

#### b) Regulatory credit balances - continued

	Carry Forward	Defined Benefit Pension (vii)	Total
<b>Cost:</b>			
At December 31, 2021 \$	24,378	\$ -	\$ 24,378
Costs incurred	(49)	-	(49)
Regulatory provision	7,057	63	7,120
Cash received	-	-	-
Disposals	(973)	-	(973)
At December 31, 2022	30,413	63	30,476
Costs incurred	(653)	-	(653)
Regulatory provision	11,377	23	11,400
At December 31, 2023 \$	<b>41,137</b>	<b>\$ 86</b>	<b>\$ 41,223</b>
<b>Accumulated amortization:</b>			
At December 31, 2021 \$	8,364	\$ -	\$ 8,364
Amortization	248	-	248
Disposals	(972)	-	(972)
At December 31, 2022	7,640	-	7,640
Amortization	249	-	249
At December 31, 2023 \$	<b>7,889</b>	<b>\$ -</b>	<b>\$ 7,889</b>
<b>Net book value:</b>			
At December 31, 2022 \$	22,773	\$ 63	\$ 22,836
At December 31, 2023 \$	33,248	\$ 86	\$ 33,334
Net (increase) decrease in regulatory credit balances (which are recognized in the net movement of regulatory balances related to net income on the Consolidated Statement of Operations and Other Comprehensive Income):			
December 31, 2022 \$	(6,759)	\$ (63)	\$ (6,822)
December 31, 2023 \$	(10,475)	\$ (23)	\$ (10,498)
Remaining recovery years			
At December 31, 2022		Indeterminate	
At December 31, 2023		Indeterminate	

Absent rate regulation, net income for the year and net movement in regulatory balances on the Consolidated Statement of Operations and Other Comprehensive Income would increase (decrease) by:			
December 31, 2022 \$	6,759	\$ 63	\$ 6,822
December 31, 2023 \$	10,475	\$ 23	\$ 10,498

#### (i) Deferred insurance proceeds

The deferred insurance proceeds represents a gain on fire insurance proceeds related to a fire at the Whitehorse Rapids Generating Station in 1997 which is being amortized to income at the same rate as depreciation of the related replacement assets, and a gain on insurance proceeds related to damage to the Lewes River Boat lock in 2021 which is not yet being amortized as it has not yet received regulatory approval. In the absence of rate regulation, IFRS requires the gain to have been fully recognized as income in the year received.

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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 11. Regulatory accounts - continued

#### b) Regulatory credit balances - continued

##### (ii) Hearing reserve

The Corporation has established a deferral account for regulatory hearing costs to be recovered from or paid to ratepayers in the future. The regulatory provision for the year reflects an annual provision of \$250,000 (2021 - \$250,000) less \$903,000 of approved costs transferred from Regulatory Costs (See Note 11(a)(ii)). In the absence of rate regulation, IFRS requires these costs to be expensed as incurred and revenues be recognized as earned.

##### (iii) Low Water Reserve Fund

The Low Water Reserve Fund ("LWRF") was established by YUB Order 2018-10. The LWRF is used to protect the Corporation and ratepayers for costs associated with variability in thermal generation required when there is a thermal cost variance due solely to water-related hydro generation variances from YUB approved GRA forecasts. The Corporation is required to file annual reports with the YUB on the LWRF's activity.

In accordance with YUB Order 2015-01, the Corporation defers recognition of the additional amounts collected from rate payers when the cost of thermal consumed in the period is less than the long-term average thermal requirements estimated for the actual annual generation load. These deferred amounts are recognized as revenue in the period when the cost of thermal incurred for the period is greater than the long-term average thermal requirements and the reason for the shortfall is a shortage of water in the hydro system. There is a cap of +/- \$16 million for the LWRF. If the balance falls outside of this range, the Corporation is to make an application to the YUB requesting recovery or a refund to customers. YUB Order 2019-02 set the refund rider to 0.00 cents/kWh effective April 1, 2019.

In the absence of rate regulation, IFRS would require any amounts earned or incurred related to the LWRF to be included in the Corporation's net income in the year incurred.

##### (iv) Future removal and site restoration costs

The Corporation maintains a regulatory provision for future removal and site restoration costs related to property, plant and equipment, which is incremental to that required to be recognized as an asset retirement provision under IAS 37. The reserve has been established through amortization rates based upon depreciation studies conducted periodically by the Corporation. As a result of the YUB Order 2005-12, effective January 1, 2005, the provision is not to exceed the cumulative value of the provision at December 31, 2004 of \$5,757,000.

Costs of dismantling capital assets, including site remediation, will be applied to this regulatory credit balance if they do not otherwise relate to an asset retirement provision. The period over which the provision will be reduced is dependent on the timing of future costs of demolishing, dismantling, tearing down, site restoration or otherwise disposing of the asset net of actual recoveries, and is therefore indeterminate. In the absence of rate regulation, IFRS requires these costs to be expensed or included in the gain or loss on disposal of the related property, plant and equipment, as applicable.



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# Yukon Development Corporation

## Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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### 11. Regulatory accounts - continued

#### (v) Contracts with customers

Effective January 1, 2018 the Corporation adopted IFRS 15, *Revenue from Contracts with Customers*. As a result of the impacts of IFRS 15, certain revenues are recognized in net income over a shorter period than allowed by the YUB for rate-setting purposes. The timing difference is reflected as a regulatory credit balance.

#### (vi) McQuesten Substation

YUB Order 2022-03 required the Corporation to create a separate asset class for certain assets constructed at the McQuesten Substation relating to the Victoria Gold connection. These assets were required to be amortized over the mine life as opposed to the useful life of the assets. The timing difference is reflected as a regulatory credit balance.

#### (vii) Defined benefit pension

The Corporation has established a deferral account to accumulate differences from approved pension funding versus actual funding requirements. The regulatory provision will be determined through a future regulatory proceeding. In the absence of rate regulation, IFRS requires these costs to be expensed as incurred.

#### (c) Regulatory account expenses

Regulatory account expenses represent costs incurred related to regulatory account debit balances of \$5,428,000 (2022 - \$4,527,000) and regulatory account credit balances of \$653,000 (2022 - \$49,000).

#### (d) Net movement in regulatory balances related to net income

Net movement in regulatory balances related to net income is \$4,739,000 (2022 - \$6,113,000) and represents the adjustment to net income for the year before net movement in regulatory balances for the effects of rate regulation in accordance with IFRS 14. The net movement figure is comprised of an increase of \$5,759,000 for regulatory account debit balances and an increase of \$10,498,000 for regulatory account credit balances for rate regulation compared to the amounts that are recorded under IFRS. The net movement figure for 2022 is comprised of an increase of \$709,000 for regulatory account debit balances and an increase of \$6,822,000 for regulatory account credit balances respectively for rate regulation compared to the amounts that would be recorded under IFRS absent rate regulation.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 12. Bank indebtedness

The Corporation's financial institutions have legally enforceable rights to set off the outstanding balance under the line of credit by cash balances in other accounts with the same financial institution. The Corporation's bank indebtedness is comprised of:

	2023	2022
Bank balance	\$ 3,218	\$ 3,061
Lines of credit	(47,675)	(14,184)
	<b>\$ (44,457)</b>	<b>\$ (11,123)</b>

For the purposes of the consolidated statement of cash flows, a certain line of credit is not part of the Corporation's cash management and instead is classified as financing activities. In the consolidated statement of cash flows, cash is comprised of:

	2023	2022
Cash	\$ 10,888	\$ 3,157
Bank balance	\$ 3,218	\$ 3,061
	<b>\$ 14,106</b>	<b>\$ 6,218</b>

#### 13. Accounts payable and accrued liabilities

	2023	2022
Trade payables	\$ 22,592	\$ 15,611
Employee compensation	1,009	1,151
Due to related parties (Note 22)	1,408	1,214
Other	132	131
	<b>\$ 25,141</b>	<b>\$ 18,107</b>

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 14. Long-term debt

The Corporation's long-term debt is unsecured and summarized as follows:

	2023	2022
<b>Bond</b>		
The Corporation issued a bond at a fixed interest rate of 5.00% per annum. Interest is payable semi-annually. Principal payment is due when the bond expires on June 29, 2040 (i).	\$ 98,666	\$ 98,615
<b>The Toronto Dominion Bank</b>		
The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 2.06% per annum. Payable in monthly installments of \$47,918 interest and principal with the balance due on September 28, 2035 (ii).	6,987	7,413
<b>The Toronto Dominion Bank</b>		
The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 3.40% per annum. Payable in monthly installments of \$117,095 interest and principal with the balance due on August 23, 2043 (iii).	20,135	20,843
<b>The Toronto Dominion Bank</b>		
The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 2.64% per annum. Payable in monthly installments of \$30,868 interest and principal with the balance due on July 14, 2044 (iv).	5,877	6,089
<b>The Toronto Dominion Bank</b>		
The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 2.06% per annum. Payable in monthly instalments of \$20,478 interest and principal with the balance due on November 4, 2045 (v).	4,333	4,488
<b>The Toronto Dominion Bank</b>		
The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 2.88% per annum. Payable in monthly instalments of \$35,853 interest and principal with the balance due on April 30, 2046 (vi).	7,079	7,301

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 14. Long-term debt - continued

##### The Toronto Dominion Bank

The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 4.07% per annum. Payable in monthly instalments of \$86,661 interest and principal with the balance due on September 1, 2052 (vii).

17,598

17,914

##### The Toronto Dominion Bank

The Corporation entered into an interest rate swap to convert the interest rate on the Bankers' Acceptances amounts from a variable interest rate based on the Bankers' Acceptances rates to a fixed rate of 4.10% per annum. Payable in quarterly instalments of \$103,009 interest and principal with the balance due on December 21, 2048 (viii).

6,425

-

##### Yukon Government

The Corporation entered into a refinance agreement for construction financing. Annual principal payments of \$1,000,000 and interest are due on March 31. The interest rate is adjusted annually on April 1. In 2022, the interest rate was adjusted to be the CORRA rate (2022 - the one-year TD indicative swap rate) plus Yukon Government's borrowing premium with the balance due on March 31, 2028.

34,200

35,200

##### Tr'ondek Hwech'in First Nation loan

The loan from the First Nation is related to the construction of the Mayo Dawson Transmission Line and is repayable in equal annual principal repayments of \$125,000 and interest with the final payment due in 2049. The interest rate at 7.79% (2022 - 7.51%) is a blended rate based on the cost of debt and the actual rate of return earned by the Utility.

3,250

3,375

##### Na-Cho Nyak Dun First Nation loan

The loan from the First Nation is related to the construction of the Mayo B project and is repayable in equal annual principal repayments of \$43,264 and interest with the final payment due in 2094. The interest rate of 9.66% (2022 - 8.94%) is based on the actual rate of return earned by the Utility.

3,072

3,115

##### Chu Niikwan Limited Partnership loan

The loan from the First Nation is related to the construction of the Liquid Natural Gas generation equipment and is repayable in equal annual principal repayments of \$1,019,320 and interest with the final payment due in 2040. The interest rate of 5.60% (2022 - 5.33%) is based on a blended rate based on the cost of debt and the actual rate of return earned by the Utility.

17,328

18,348

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 14. Long-term debt - continued

##### **Carmacks Stewart First Nation liability**

Long-term liability payable to several First Nations related to the construction of the Carmacks Stewart Transmission Line. These are non-interest bearing, repayment terms not yet established.

141	141
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##### **Champagne and Aishihik First Nations**

On July 21, 2023, the Corporation entered into \$1,000,000 long-term debt associated with the installation of the third hydro turbine at the Aishihik Hydroelectric Generating Station (AGS) and due on July 31, 2048. The interest rate is the Utility's rate of return on equity and interest is payable annually (ix).

1,000	-
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<b>Total</b>	<b>226,091</b>	222,842
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Less: current portion	4,440	4,227
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<b>\$ 221,651</b>	<b>\$ 218,615</b>
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#### (i) **Bond**

The Corporation issued a bond in 2010 for the face value of \$100 million. The interest rate is 5% and the bond matures June 29, 2040. There are no principal payments due until the bond matures and interest is payable semi-annually. The bond was issued at a discount of \$0.7 million which is being amortized over the period of the related debt using the effective interest rate. Transaction costs were \$1.2 million and include fees paid to agents and advisors and are presented as a reduction from the carrying value of the related debt and are amortized over the period of the related debt using the effective interest rate.

#### (ii) **Toronto Dominion Bank Loan and 2.06% Interest Rate Swap**

On December 28, 2012, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. On September 11, 2020, the loan and interest rate swap was amended. The amendment changed the interest rate from 2.69% to 2.06% and the termination date from December 28, 2022 to September 28, 2035.

#### (iii) **Toronto Dominion Bank Loan and 3.40% Interest Rate Swap**

On August 23, 2018, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. On September 11, 2020, the loan and interest rate swap was amended. The amendment changed the interest rate from 3.67% to 3.40% and the termination date from August 23, 2038 to August 23, 2043.

#### (iv) **Toronto Dominion Bank Loan and 2.64% Interest Rate Swap**

On July 15, 2019, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. On September 11, 2020, the loan and interest rate swap was amended. The amendment changed the interest rate from 2.90% to 2.64% and the termination date from July 14, 2039 to July 14, 2044.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 14. Long-term debt - continued

(v) **Toronto Dominion Bank Loan and 2.06% Interest Rate Swap**

On November 4, 2020, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. The interest rate swap matures November 4, 2045.

(vi) **Toronto Dominion Bank Loan and 2.88% Interest Rate Swap**

On April 26, 2021, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. The interest rate swap matures April 30, 2046.

(vii) **Toronto Dominion Bank Loan and 4.07% Interest Rate Swap**

On August 29, 2022, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon. The interest rate swap matures September 1, 2052.

(viii) **Toronto Dominion Bank Loan and 4.10% Interest Rate Swap**

On December 21, 2023, the Corporation entered into a loan and interest rate swap with Toronto Dominion Bank to arrange financing for the purpose of continuing to develop the electrical infrastructure in the Yukon and to maintain the required regulatory debt ratio in the Utility of 60%. The interest rate swap matures December 21, 2048.

(ix) **Champagne and Aishihik First Nations debt**

On July 21, 2023, the Corporation entered into a long-term debt agreement with Champagne and Aishihik First Nation associated with the installation of the third hydro turbine at the AGS. The debt matures July 31, 2048. The per annum interest rate is the actual final rate of return on equity for the Utility's regulatory income for the actual year most recently filed with the YUB under section 25(1) of the *Public Utilities Act*.

#### Long-term debt repayment

Scheduled repayments for all long-term debt are as follows:

2024	\$ 4,440
2025	4,510
2026	4,582
2027	4,657
2028	33,934
Thereafter	173,968

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**\$ 226,091**

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The change in long-term debt arising from financing activities during the year related to principal repayment of \$4,176,000 (2022 - \$3,893,000) and the issuance of additional debt in the amount of \$7,425,000 (2022 - \$17,991,000).

#### Fair value

The fair value of long-term debt at December 31, 2023 is \$237 million (December 31, 2022 - \$234 million). The fair value for all long-term debt including current portions was estimated using discounted cash flows based on an estimate of the Corporation's current borrowing rate for similar borrowing arrangements.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 15. Post-employment benefits

##### **Characteristics of benefit plans**

The defined benefit pension plan for employees is regulated by the Office of the Superintendent of Financial Institutions ("OSFI") through the *Pension Benefits Standards Act* and regulations. This Act and accompanying regulations impose, among other things, minimum funding requirements. The executive defined benefit pension plan and supplemental executive retirement plan are not registered with OSFI and are not subject to minimum funding requirements of the Act.

These minimum funding requirements require the Corporation to make special payments as prescribed by the OSFI to repay any unfunded liability or solvency deficit that may exist. For the employee defined benefit pension plan the Corporation is currently not required to make any special payments.

A committee of the Utility's Board of Directors oversees these plans and is responsible for the investment policy with regard to the assets of these funds.

Employees joining the Corporation after January 1, 2002 are not eligible to participate in the employee defined benefit pension plan. The Corporation makes contributions to a Registered Retirement Savings Plan ("RRSP") on behalf of these employees and employees hired before January 1, 2002 who belonged to the employee defined benefit pension plan and elected to opt out of that plan. The RRSP is a defined contribution retirement plan. The costs recognized for the period are equal to the Corporation's contribution to the plan. During 2023, these were \$673,000 (2022 - \$559,000).

##### **Risks associated with defined benefit plans**

The defined benefit pension plans expose the Corporation to risk such as investment risk and actuarial risk. Investment risk is the risk that the assets invested will be insufficient to meet expected benefits. Actuarial risk is the risk that benefits paid will be more than expected. There are no particular unusual, entity-specific or plan specific risks or any significant concentration of risk.

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 15. Post-employment benefits - continued

#### Net defined benefit liability

	2023	2022
<b>Present value of benefit obligations</b>		
Balance, beginning of year	\$ 22,536	\$ 28,781
Employee contributions	45	43
Current service cost	120	409
Interest cost	1,131	864
Benefits paid	(1,022)	(827)
Actuarial (gains) losses on experience	(583)	319
Actuarial (gains) on demographic assumptions	(48)	(6)
Actuarial losses (gains) on financial assumptions	1,715	(7,047)
Balance, end of year	<b>\$ 23,894</b>	\$ 22,536
<b>Fair value of plan assets</b>		
Balance, beginning of year	21,785	24,611
Interest income on plan assets	1,093	736
Gains (losses) on plan assets	818	(3,376)
Employee contributions	45	43
Employer contributions	357	668
Benefits paid	(1,022)	(827)
Administrative costs	(70)	(70)
Balance, end of year	<b>23,006</b>	21,785
Effect of asset ceiling	<b>76</b>	76
Net defined benefit liability	<b>\$ 964</b>	\$ 827



# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 15. Post-employment benefits - continued

#### Components of benefit plan cost

	2023	2022
Current service cost	\$ 120	\$ 409
Interest cost	1,131	864
Interest income on plan assets	(1,093)	(736)
Administrative costs	70	70
Interest cost on effect of asset ceiling	4	2
Defined benefit expense in Consolidated Statement of Operations	<b>232</b>	609
Defined contribution expense	673	559
Total benefit expense in Consolidated Statement of Operations	<b>\$ 905</b>	\$ 1,168
Actuarial losses (gains) on obligation	1,084	(6,734)
(Gains) losses on plan assets	(818)	3,376
Effect of asset ceiling	(4)	(8)
Total remeasurement included in Other Comprehensive Income	<b>262</b>	(3,366)
Total benefit cost recognized in the Consolidated Statement of Operations and Other Comprehensive Income	<b>\$ 1,167</b>	\$ (2,198)

#### Distribution of plan assets of defined benefit pension plans:

The fair values of the defined benefit pension plans' assets are based on market values as reported by the defined benefit pension plans' custodians as at each applicable Consolidated Statement of Financial Position date.

The distribution of assets by major asset class is as follows:

	December 31, 2023	December 31, 2022
Equities	40.7%	43.8%
Fixed income securities	40.5%	31.5%
Real estate	18.8%	24.7%

#### Significant assumptions:

	December 31, 2023	December 31, 2022
Discount rate - accrued benefit obligation	4.60%	5.10%
Assumed rate of compensation increase	3.10%	3.10%
Pension growth	2.00%	2.00%

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 15. Post-employment benefits - continued

##### **Sensitivity Analysis of the defined benefit pension plans:**

The sensitivities of each key assumption used in measuring accrued benefit obligations at each Consolidated Statement of Financial Position date have been calculated independently of changes in other key assumptions. Actual experience may result in changes in a number of assumptions simultaneously. The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period. The mortality assumptions are based on the 2014 Canadian Pensioner Mortality Private Table projected with full generational mortality improvements using scale MI-2017.

Assumptions and sensitivity to the recognized post-employment benefits liability balance at December 31, 2023

Assumption	+1%	-1%	+1%	-1%
Discount rate	-11%	13%	\$(2,605)	\$3,173
Salary growth	0.3%	-0.3%	67	(65)
Pension growth	13%	-11%	3,053	(2,612)
Life expectancy (1 year movement)	3%	-3%	607	(618)

Assumptions and sensitivity to the recognized post-employment benefits liability balance at December 31, 2022

Assumption	+1%	-1%	+1%	-1%
Discount rate	-11%	13%	\$(2,431)	\$2,965
Salary growth	0.4%	-0.4%	80	(77)
Pension growth	13%	-11%	2,813	(2,357)
Life expectancy (1 year movement)	2%	-2%	517	(529)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same that is applied in calculating the defined benefit obligation liability recognized in the Consolidated Statement of Financial Position.

The Corporation pays the balance of the cost of the employee benefit plan over the employee contributions, as determined by the actuary. Members are required to contribute 3.5% of earnings up to the Year's Maximum Pensionable Earnings ("YMPE") plus 5% of earnings above the YMPE. Permanent part-time members will have required contributions as above multiplied by their permanent part-time service ratio. Employees can make additional contributions to purchase ancillary benefits. Members choose the ancillary benefit on termination of service or on retirement.

The average duration of the benefit obligation is 12.3 years (2022 - 12.1 years). The Corporation expects to make payments of \$209,000 (2022 - \$230,800) to the defined benefit pension plans during the next financial year.

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 16. Contributions in aid of construction

	Government of Canada	Yukon Government since 1998	Pre - 1998 contributions	Total
<b>Cost:</b>				
At December 31, 2021	\$ 92,961	\$ 16,896	\$ 1,739	\$ 111,596
Additions	6,780	-	-	6,780
At December 31, 2022	99,741	16,896	1,739	118,376
Additions	3,843	524	-	4,367
At December 31, 2023	\$ 103,584	\$ 17,420	\$ 1,739	\$ 122,743
<b>Accumulated amortization:</b>				
At December 31, 2021	\$ 10,197	\$ 3,982	\$ 1,552	\$ 15,731
Amortization	1,417	333	44	1,794
At December 31, 2022	11,614	4,315	1,596	17,525
Amortization	1,249	326	43	1,618
At December 31, 2023	\$ 12,863	\$ 4,641	\$ 1,639	\$ 19,143
<b>Net book value:</b>				
At December 31, 2022	\$ 88,127	\$ 12,581	\$ 143	\$ 100,851
At December 31, 2023	\$ 90,721	\$ 12,779	\$ 100	\$ 103,600

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

### 17. Deferred revenue

	Customer Contributions	IPP Contracts	Decommissioning Fund	Total
At December 31, 2021	\$ 16,437	\$ 394	\$ 2,812	\$ 19,643
Additions	426	3,083	63	3,572
Revenue recognized in Sales of Power and Other Revenue	(1,315)	(3,201)	-	(4,516)
At December 31, 2022	\$ 15,548	\$ 276	\$ 2,875	\$ 18,699
Additions	459	1,822	154	2,435
Revenue recognized in Sales of Power and Other Revenue	(1,303)	(365)	-	(1,668)
At December 31, 2023	\$ 14,704	\$ 1,733	\$ 3,029	\$ 19,466

The decommissioning fund represents monies paid in advance by an industrial customer to decommission the spur line that connects its operation to the Corporation's grid. Under a power purchase agreement, the customer has the financial responsibility for decommissioning activities to be performed by the Corporation on its behalf. Any amounts not required for decommissioning will be refunded to the customer. This money accrues interest at the rate equal to the three month Canadian Dealer Offered Rate ("CDOR"). This amount will be recognized to revenue when uncertainty associated with its recognition is satisfied.

The following table includes revenue expected to be recognized in the future related to performance obligations that are unsatisfied as at December 31, 2023:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Customer contracts	\$ 1,295	\$ 6,475	\$ 6,934	\$ 14,704
IPP contracts	556	242	935	1,733
Decommissioning fund	-	-	3,029	3,029
	\$ 1,851	\$ 6,717	\$ 10,898	\$ 19,466

At December 31, 2022, the current portion of deferred revenue of \$1,380,000 consisted of customer contracts (\$1,315,000) and IPP contracts (\$65,000).

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 18. Sales of power

	2023	2022
Wholesale	\$ 46,665	\$ 46,993
Industrial	16,576	20,752
General service	10,242	8,088
Residential	3,804	3,260
Secondary sales	227	365
Sentinel and street lights	113	137
	<b>\$ 77,627</b>	<b>\$ 79,595</b>

#### 19. Other revenue

The Corporation recognized \$4,500,000 (2022 - \$nil) related to a gain on insurance proceeds (Note 11(b)(i)) and \$365,000 (2022 - \$3,201,000) in other revenue related to IPP contracts (Note 17).

In October 2021 efforts to reduce flooding at Marsh Lake resulted in permanent damage to the Lewes River Boat Lock. Insurance proceeds were received in 2023 in the amount of \$5,520,000. Net of the insurance deductible and other costs, proceeds totaled \$4,500,000. Insurance proceeds were allocated to the removal of the Lewes River Boat Lock and towards a new upgraded boat lock at the Lewes Dam, which is part of a larger upgrade project. Construction is expected to commence in 2024.

#### 20. Operations and maintenance expenses

	2023	2022
Fuel	\$ 11,138	\$ 11,642
Wages and benefits	7,285	6,516
Regulatory account expenses (Note 11 (c))	6,081	4,576
Rent	5,242	3,028
Contractors	3,825	6,760
Materials and consumables	1,713	2,099
Loss on asset disposals	1,024	61
Travel	533	409
Communication	93	87
	<b>\$ 36,934</b>	<b>\$ 35,178</b>

# Yukon Development Corporation

## Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

### 21. Administration expenses

	2023	2022
Wages and benefits	\$ 8,350	\$ 7,577
Materials, consumables and general	4,069	1,786
Insurance and taxes	3,072	2,714
External labour	2,854	1,956
Licences and fees	1,027	1,083
Travel	370	227
Board fees	171	116
	<b>\$ 19,913</b>	<b>\$ 15,459</b>

Included in materials, consumables and general is an impairment loss of \$1,500,000 (2022 - \$nil) (Note 26).

### 22. Related party transactions

The Corporation is related in terms of common ownership to all Yukon Government departments, agencies and Territorial Corporations. Transactions are entered into in the normal course of operations with these entities. All sales of power transactions are recorded at the rates approved by the YUB.

The finance lease with the Yukon Hospital Corporation is disclosed in Note 8.

The following table summarizes the Corporation's related party transactions with the Yukon Government for the year:

	2023	2022
<b>Revenues</b>		
Contributions for Inflation Relief Rebate program	\$ 5,473	\$ 6,407
Contributions for Interim Electrical Rebate program	3,380	3,352
Contributions for bond interest expense	2,428	2,625
Contributions for Innovative Energy Renewable Initiatives	1,805	2,466
Contributions for Atlin Hydroelectric expansion project subsidies	750	-
	<b>\$ 13,836</b>	<b>\$ 14,850</b>

## Yukon Development Corporation

### Notes to Consolidated Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 22. Related party transactions - continued

At the end of the year, the amounts receivable from and due to the Yukon Government are as follows:

	2023	2022
<b>Balances</b>		
Long-term debt	\$ 34,200	\$ 35,200
Accounts receivable	\$ 11,137	\$ 16,595
Accounts payable	\$ 1,408	\$ 1,214

Included in accounts receivable is an amount of \$3,384,000 for capital projects funded by Yukon Government and the federal government (2022 - \$9,320,000) as well as an amount of \$694,000 related to the Interim Electrical Rebate (2022 - \$684,000) and \$4,391,000 related to the Inflation Relief Rebate (2022 - \$6,407,000). These balances are non-interest bearing and payable on demand except for long-term debt.

#### Transactions with Key Management Personnel

The Corporation's key management personnel comprise of members of senior management and the Board of Directors, a total of 28 individuals (2022 - 27 individuals). Key management personnel compensation is as follows:

Year ended December 31,	2023	2022
Short-term employee benefits	\$ 2,128	\$ 1,937
Post-employment benefits	110	145
	<b>\$ 2,238</b>	<b>\$ 2,082</b>

#### 23. Commitments

##### Contractual obligations

The Corporation has entered into contracts to purchase products or services for which the liability has not been incurred as at December 31, 2023 as the product or service had not been provided. The following table summarizes the nature of the commitments:

Commitments*	2023	2022
Property, plant and equipment	\$ 44,353	\$ 66,059
Other products or services	10,266	5,956
Intangible assets	1,747	717
	<b>\$ 56,366</b>	<b>\$ 72,732</b>

\* Comparative information has been disaggregated by the nature of the commitment in order to provide additional information and to align with the current year's presentation.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 24. Contingencies

##### **Asset retirement obligations**

The Corporation has not recognized a provision for the closure and restoration obligations for certain generation, transmission and distribution assets which the Corporation anticipates maintaining and operating for an indefinite period, making the date of retirements of these assets indeterminate. These significant uncertainties around the timing of any potential future cash outflows are such that a reliable estimate of the liability is not possible at this time. A provision will be recognized when the timing of the retirement of these assets can be reasonably estimated.

#### 25. Provision for environmental liabilities

The Corporation's activities are subject to various federal and territorial laws and regulations governing the protection of the environment or to minimize any adverse impact thereon. The Corporation conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations.

The Corporation has conducted environmental site assessments at all its diesel plant sites. No significant environmental contamination was found. As at December 31, 2023 no significant provisions for environmental liabilities, for which a legal obligation exists to remediate, have been identified by the Corporation. The Corporation has its Environmental Management System to monitor and assess previous and potential existing environmental liabilities on an ongoing basis. The Corporation does not have a provision for environmental liabilities as there is no significant present obligation to remediate.

#### 26. Risk management and financial instruments

At December 31, 2023, the Corporation's financial instruments included cash, accounts receivable, finance lease receivables, bank indebtedness, accounts payable and accrued liabilities, long-term debt and interest rate swaps. The fair values of cash, accounts receivable, finance lease receivables, bank indebtedness, and accounts payable and accrued liabilities approximate their carrying values due to the immediate or short-term maturity of these financial instruments.

Interest rate swaps are financial contracts that derive their value from changes in an underlying variable. The fair value of the interest rate swaps is estimated using standard market valuation techniques and is provided to the Corporation by the financial institution that is the counterparty to the transactions.

##### **Interest rate risk**

Interest rate risk is the risk that future cash flows or fair value of a financial instrument will fluctuate due to changes in market interest rates. The Corporation's future cash flows are not exposed to significant interest rate risk due to its long-term debt having fixed interest rates, with the exception of the Bankers' Acceptances from the Toronto Dominion Bank. The Bankers' Acceptances have had the variable rate converted to a fixed rate using an interest rate swap to eliminate the interest rate risk.

The fair value of the interest rate swap agreements on December 31, 2023 was an asset of \$2,405,000 (2022 - asset of \$4,908,000). The decrease in the fair value in 2023 of \$2,503,000 (2022 - increase of \$7,386,000) is recognized on the Consolidated Statement of Operations and Other Comprehensive Income as an unrealized loss. A 100 basis point increase or decrease in the interest rate assumption would have resulted in an increase/decrease in the interest rate swap agreements fair value of \$5,844,000 (2022 - \$6,371,000).



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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 26. Risk management and financial instruments - continued

##### Interest rate risk - continued

The Corporation has access to lines of credit. As of January 1, 2023, the lines of credit totalled \$80.0 million. Effective December 18, 2023, the lines of credit were increased temporarily to \$115.0 million. The temporary increase expires June 30, 2024. \$107.5 million of the lines of credit accrue interest on withdrawals at prime rate minus 0.75% (2022 - prime rate minus 0.75%) per annum. The remaining \$7.5 million accrues interest on withdrawals at prime rate minus 0.85% (2022 - prime rate minus 0.85%) per annum. The interest rate risk is minimal.

##### Credit risk

Credit risk is the risk of failure of a debtor or counterparty to honour its contractual obligations resulting in financial loss to the Corporation.

The following table illustrates the maximum credit exposure to the Corporation if all counterparties defaulted:

	2023	2022
Cash	\$ 10,888	\$ 3,157
Accounts receivable	24,980	32,656
Finance lease receivables	-	85
	<b>\$ 35,868</b>	<b>\$ 35,898</b>

Credit risk on cash is considered minimal as the Corporation's cash deposits are held by Canadian Schedule 1 Chartered banks.

Credit risk on accounts receivable is generally considered minimal as the Corporation has experienced insignificant bad debt in prior years. Its primary customer is a rate regulated utility that purchases power from the Corporation for resale and as such these receivables are considered fully collectible. Included in the accounts receivable past due at December 31, 2023 is \$10,355,000 (2022 - \$4,951,000) of which \$4,015,000 (2022 - \$3,851,000) pertains to one customer. This customer is currently in receivership and had been working on a potential mine sale process. The sale process was not successful, and effective May 13, 2024, the receiver obtained court approval to commence with asset liquidation. The recovery of any amount owing will not occur until after the liquidation is completed. The timing and certainty of a full recovery is unknown, and a wide range of outcomes are possible. Based on management's judgment and assessment, as at December 31, 2023, the accounts receivable is impaired and an allowance provision of \$1,500,000 (2022 - \$nil) has been recognized within administration expenses on the Consolidated Statement of Operations and Other Comprehensive Income.

##### Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through regular monitoring of cash and currency requirements by preparing cash flow forecasts to identify financing requirements. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation. Rate regulation assists the Corporation with liquidity management by providing consistent revenues and a consistent debt to equity ratio.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 26. Risk management and financial instruments - continued

##### Fair values

The following table illustrates the fair value hierarchy of the Corporation's financial instruments as at December 31, 2023:

	Quoted prices in active markets (Level 1)	inputs Other observable inputs (Level 2)	Unobservable (Level 3)	Total
Derivative related asset	-	\$2,405	-	<b>\$2,405</b>
Long-term debt	-	-	\$236,975	<b>\$236,975</b>

The following table illustrates the fair value hierarchy of the Corporation's financial instruments as at December 31, 2022:

	Quoted prices in active markets (Level 1)	inputs Other observable inputs (Level 2)	Unobservable (Level 3)	Total
Derivative related asset	-	\$4,908	-	<b>\$4,908</b>
Long-term debt	-	-	\$234,141	<b>\$234,141</b>

#### 27. Capital management

The Utility's capital is its shareholder's equity which is comprised of share capital, contributed surplus and retained earnings. The Utility manages its equity by managing revenues, expenses, assets and liabilities to ensure the Utility effectively achieves its objectives while remaining a going concern.

The Utility has a policy which defines its regulatory capital structure at a ratio of approximately 60% debt and 40% equity. This capital structure ratio has been reviewed and accepted by the YUB for rate setting purposes.

The Utility monitors its capital on the basis of the ratio of total debt to total capitalization. Debt is calculated as total borrowings, which is comprised of long-term debt, including the portion of long-term debt due within one year, as well as the decommissioning fund (Note 17). Short-term debt related to assets under construction at the Statement of Financial Position date is excluded from the calculation of total debt, as the assets are similarly excluded from the determination of rate base.

Total capitalization is calculated as total debt plus total shareholder's equity as shown on the Utility's Statement of Financial Position. The Utility maintains a balance in retained earnings as an indicator of the Utility's equity position.

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## Yukon Development Corporation

### Notes to Consolidated Financial Statements

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**December 31, 2023** (tabular amounts in thousands of Canadian dollars)

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#### 27. Capital management - continued

The table below summarizes the Utility's total debt to total capitalization position:

	2023	2022
Long-term debt due within one year	\$ 62,733	\$ 6,900
Long-term debt	122,743	178,051
Total debt	185,476	184,951
Add decommissioning fund (Note 17)	3,029	2,875
Total debt to include in the calculation	<b>\$ 188,505</b>	<b>\$ 187,826</b>
Share capital	\$ 39,000	\$ 39,000
Contributed surplus	15,968	15,968
Retained earnings	74,289	94,796
Total shareholder's equity	<b>129,257</b>	<b>149,764</b>
Total capitalization	<b>\$ 317,762</b>	<b>\$ 337,590</b>
Total debt to total capitalization	<b>59 %</b>	<b>56 %</b>

There were no changes in the Utility's approach to capital management during the period. During the year, the Utility declared a dividend of \$27,260,000 (2022 - \$11,500,000) to Yukon Development Corporation. The dividend was converted to Construction Financing. Of the prior year dividend, \$10,000,000 was also converted to Construction Financing and the remaining \$1,500,000 was paid in cash.

#### 28. Non-consolidated financial information

The nature and size of operations of the non-consolidated Yukon Development Corporation and its wholly-owned subsidiary, Yukon Energy Corporation differ substantially. Unaudited non-consolidated financial statements of the Yukon Development Corporation and audited financial statements of Yukon Energy Corporation for the year ended December 31, 2023 are also prepared.

YUKON HOSPITAL CORPORATION  
FINANCIAL STATEMENTS  
March 31, 2024  
(audited)

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# Yukon Hospital Corporation

## Management Responsibility Statement

The accompanying consolidated financial statements of the Yukon Hospital Corporation are the responsibility of management and have been approved by the Board of Trustees.

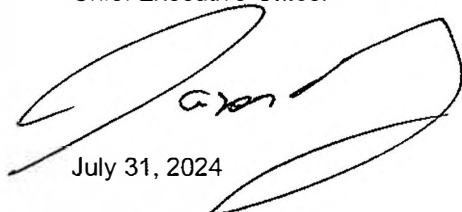
These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The consolidated financial statements include some amounts, such as the determination of amounts related to the estimated useful lives of capital assets, asset retirement obligation, the defined benefit pension plan obligation, the calculation of allowance for doubtful accounts and the liabilities for accrued severance, retirement and sick leave benefits, that are necessarily based on management's best estimates and judgement. Management has determined such amounts on a reasonable basis.

Management maintains a system of internal accounting and administrative controls designed to provide reasonable assurance as to the reliability of financial information and the safeguarding of assets.

The Board of Trustees of the Corporation is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Board exercises this responsibility for financial reporting through approval of the consolidated financial statements upon review and recommendation by the Executive Committee, which consists of four non-management members. The Executive Committee meets regularly with management and with the external auditors to review the scope, results of the annual audit, and to review and recommend approval to the Board of Trustees for the consolidated financial statements and related financial reporting matters.

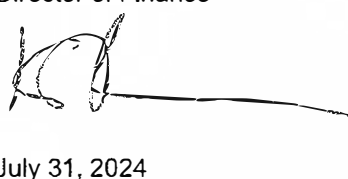
These consolidated financial statements have been independently audited in accordance with Canadian generally accepted auditing standards by the Auditor General of Canada, and her report is included with these consolidated financial statements.

Jason Bilsky  
Chief Executive Officer



July 31, 2024

Katherine Davidson  
Director of Finance



July 31, 2024



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Yukon Hospital Corporation

### *Opinion*

We have audited the consolidated financial statements of the Yukon Hospital Corporation and its controlled entity (the Group), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

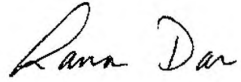
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not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

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

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



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

A handwritten signature in black ink, reading "Lana Dar". The signature is fluid and cursive, with the first name "Lana" and the last name "Dar" clearly distinguishable.

Lana Dar, CPA, CA  
Principal  
for the Auditor General of Canada

Vancouver, Canada  
31 July 2024

# Yukon Hospital Corporation

## Consolidated Statement of Financial Position

As at March 31  
(in thousands of dollars)

	2024 \$	2023 \$
<b>ASSETS</b>		
Current assets		
Cash (note 5)	6,082	2,721
Accounts receivable (note 20)	14,416	4,709
Inventory (note 4)	3,895	4,120
Prepaid expenses	877	751
Short-term contributions receivable (note 8)	5,001	4,808
	<b>30,271</b>	<b>17,109</b>
Non-current assets		
Accrued pension benefit (note 6)	69,499	63,126
Capital assets (note 7)	167,159	161,817
Long-term contributions receivable (note 8)	13,803	18,804
	<b>250,461</b>	<b>243,747</b>
	<b>280,732</b>	<b>260,856</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 20)	16,902	12,636
Accrued payroll and benefits (note 20)	5,300	4,967
Short-term debt (note 9)	21,867	26,675
Deferred revenue (note 10)	1,103	952
	<b>45,172</b>	<b>45,230</b>
Non-current liabilities		
Long-term debt (note 11)	85	85
Employee future benefits other than pensions (note 12)	3,369	2,905
Deferred capital contributions (note 13)	166,260	162,007
Asset retirement obligation (note 14)	1,174	1,274
	<b>170,888</b>	<b>166,271</b>
	<b>216,060</b>	<b>211,501</b>
<b>NET ASSETS</b>		
Investment in capital assets (note 15)	1,221	90
Restricted for First Nations Health Program, external (note 16)	(28)	88
Restricted for capital purchases, internal (note 21)	1,320	1,128
Restricted for pension, internal (note 6)	69,499	63,126
Unrestricted	(7,340)	(15,077)
	<b>64,672</b>	<b>49,355</b>
	<b>280,732</b>	<b>260,856</b>
Contractual obligations and contingencies (note 19)		

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

On behalf of the Board,

  
Chair

  
Director

# Yukon Hospital Corporation

## Consolidated Statement of Operations

For the year ended March 31

(in thousands of dollars)

	2024	2023
	\$	\$
<b>Revenues</b>		
Government of Yukon contribution (note 18)	121,630	93,462
Amortization of deferred capital contributions (note 13)	9,050	7,517
Patients	6,245	5,390
Other government contracts (note 18)	4,471	3,701
Other	1,292	1,076
Fundraising	763	792
Interest	643	319
Cafeteria	302	244
	<u>144,396</u>	<u>112,501</u>
<b>Expenses</b>		
Compensation and benefits	71,232	62,089
Supplies	21,744	19,699
Contracted services	11,187	9,940
Amortization of capital assets (note 7)	10,552	9,182
Other (note 17)	8,881	7,542
Equipment and building services	4,278	3,888
Interest on short-term debt	1,272	1,273
Fundraising	375	338
ARO accretion (note 14)	39	31
Loss on disposal of capital assets	32	4
Pension benefits cost (note 6)	(513)	511
	<u>129,079</u>	<u>114,497</u>
<b>Surplus (Deficiency) of revenues over expenses</b>	<u>15,317</u>	<u>(1,996)</u>

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

# Yukon Hospital Corporation

## Consolidated Statement of Changes in Net Assets

For the year ended March 31  
(in thousands of dollars)

	Investment in Capital Assets (note 15) \$	Restricted for First Nations Health Program (note 16) \$	Restricted for Capital Purchases Internal (note 21) \$	Restricted for Pension (note 6 and 21) \$	Unrestricted (note 21) \$	2024 Total \$	2023 Total \$
Balance, beginning of year	90	88	1,128	63,126	(15,077)	49,355	51,351
Surplus (Deficiency) of revenues over expenses	(1,502)	(116)	192	6,373	10,370	15,317	(1,996)
Net change in investment in capital assets (note 15 c)	2,633				(2,633)	-	-
Balance, end of year	<u>1,221</u>	<u>(28)</u>	<u>1,320</u>	<u>69,499</u>	<u>(7,340)</u>	<u>64,672</u>	<u>49,355</u>

The accompanying notes are an integral part of the consolidated financial statements.

# Yukon Hospital Corporation

## Consolidated Statement of Cash Flows

For the year ended March 31  
(in thousands of dollars)

	2024 \$	2023 \$
<b>Operating Activities</b>		
Surplus (Deficiency) of revenues over expenses	15,317	(1,996)
Items not involving cash		
Amortization of capital assets (note 7)	10,552	9,182
Loss on disposal of capital assets	32	4
ARO accretion (note 14)	39	31
Amortization of deferred capital contributions (note 13)	(9,050)	(7,517)
Bad debt expense (note 17)	849	194
Increase (decrease) in prepaid expenses	(126)	82
Increase in accrued pension benefit	(6,373)	(7,053)
Increase in non-cash working capital balances	(6,095)	(343)
<b>Cash generated in (used in) operating activities</b>	<b>5,145</b>	<b>(7,416)</b>
<b>Capital Activities</b>		
Purchases of capital assets	(15,086)	(7,914)
<b>Cash used in capital activities</b>	<b>(15,086)</b>	<b>(7,914)</b>
<b>Financing Activities</b>		
Repayment of short-term debt	(4,808)	(3,865)
Issuance of short-term debt	-	4,867
Cash received for capital purchases	18,110	9,303
<b>Cash generated through financing activities</b>	<b>13,302</b>	<b>10,305</b>
<b>Increase (Decrease) in cash</b>	<b>3,361</b>	<b>(5,025)</b>
<b>Cash, beginning of year</b>	<b>2,721</b>	<b>7,746</b>
<b>Cash, end of year</b>	<b>6,082</b>	<b>2,721</b>
<b>Interest paid</b>	<b>1,272</b>	<b>1,273</b>
<b>Interest received</b>	<b>643</b>	<b>319</b>

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

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 1. Purpose

- a) The Yukon Hospital Corporation ("Corporation") is a charitable organization established under the *Hospital Act* of the Yukon. The Corporation operates hospitals in Whitehorse, Watson Lake and Dawson City. The objectives of the Corporation are to provide hospital and medical services to meet the needs of people in the Yukon. The Corporation is a registered charity and accordingly is exempt from income taxes, provided certain requirements of the Federal *Income Tax Act* are met. The Corporation has historically been dependent on the Government of Yukon to maintain its operations and meet its liabilities. It is expected that the ongoing operations of the Corporation will depend on continued financial support from the Government of Yukon.
- b) The Yukon Hospital Foundation ("Foundation") is a society incorporated under the *Societies Act* of the Yukon. The purpose of the Foundation is to promote health of people in the Yukon and to raise money for hospital and medical care and services, supervised residential care and continuing care, and rehabilitative care and services. The Foundation also grants funds and provides equipment, services and facilities to health facilities in the Yukon, and in particular to the Corporation.

### 2. Significant Accounting Policies

#### a) Basis of Accounting

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The Corporation has elected to apply the Section 4200 series for government not-for-profit organizations.

#### b) Basis of Consolidation

The consolidated financial statements include the accounts of the Corporation and its wholly-owned controlled entity, the Foundation. All significant inter-company transactions and balances have been eliminated on consolidation.

#### c) Cash

This balance includes cash held in Canadian bank accounts including amounts designated for the First Nations Health Program ("FNHP") and externally restricted funds. The FNHP is administered by the Corporation.

#### d) Inventory

Inventories are comprised of pharmacy, medical and general operating supplies, and are valued at the lower of cost and net realizable value. Inventories are determined on a first in/first out and cost basis.

#### e) Capital Assets

Capital assets are recorded at cost except for contributed capital assets which are recorded at fair market value at the date of contribution. The cost of a capital asset includes the cost to acquire, construct, develop or better the capital asset and includes all costs directly attributable to the acquisition, construction, development or betterment of the capital asset including the cost of installation and overhead costs. Except for land, all capital assets are recorded net of accumulated amortization.

Interest on loans during construction of capital assets is capitalized. Amortization is calculated by the straight line method over the assets' expected useful lives. Construction in progress costs are capitalized as incurred. They are transferred to various categories of capital assets and are amortized on a basis consistent with similar assets, once the assets are placed in service.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 2. Significant Accounting Policies (continued)

#### e) Capital Assets (continued)

Capital Asset	Estimated Useful Life
Computer, hardware & systems development	2-10 years
Equipment & vehicles	5-15 years
Buildings	10-40 years
Building improvements	10-20 years
Land improvements	8-20 years

When a capital asset no longer has any long-term service potential to the Corporation, the excess of its net carrying amount over any residual value is recognized as an expense in the Consolidated Statement of Operations. Write-downs are not reversed.

#### f) Revenue Recognition

The Corporation follows the deferral method of accounting for Government of Yukon contribution. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase and construction of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from transactions with performance obligations occur when there is an enforceable promise to transfer goods or services directly to a payor in return for promised consideration. These revenues are recognized when control of the benefits associated with the goods or services have transferred and there is no unfulfilled performance obligation. Where consideration is received from a payor prior to the provision of goods or services, these amounts are initially included in unearned revenue provided the definition of a liability is met. They are subsequently recognized as revenue as performance obligations are met.

Patient revenue is comprised of fees earned for specific medical services provided by the Corporation. Each service provided is a separate performance obligation that is satisfied at a point in time.

Other government contracts revenue is comprised of fees earned for goods or services provided under contract with other parties. Each good or service provided is a separate performance obligation. Revenue under these contracts is recognized at a point in time as each performance obligation is satisfied.

There is no revenue from transactions without performance obligations presented in these consolidated financial statements.

There is no significant revenue from non-recurring activities presented in these consolidated financial statements.

Interest income is recorded on an accrual basis and is recognized as revenue when earned.

**Yukon Hospital Corporation**  
**Notes to the Consolidated Financial Statements**  
March 31, 2024  
(in thousands of dollars)

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**2. Significant Accounting Policies (continued)**

**g) Inter-entity Transactions**

The Corporation is related in terms of common ownership to all Government of Yukon departments, corporations, and agencies. Inter-entity transactions are those occurring between commonly controlled entities.

The Corporation records inter-entity transactions undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length and inter-entity cost allocation and recovery transactions at the exchange amount.

The exchange amount is the amount of consideration given for the item transferred or service provided as established and agreed to by the related parties.

Inter-entity transfers of assets or liabilities for nominal or no consideration are measured at the carrying amount by the Corporation, as transferor, and at the carrying amount or fair value by the Corporation, as transferee. As transferor, any difference between the exchange amount and the carrying amount of the transferred asset or liability results in the recognition of a gain or loss in the Consolidated Statement of Operations.

**h) Donated Services**

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, these donated services are not recognized in the consolidated financial statements.

**i) Short-Term Debt**

Short-term debt includes embedded interest rate swap derivatives. These embedded derivatives are not separated from the short-term debt agreement and are not accounted for as a standalone derivative instrument as management believes that the economic characteristics and risks associated with these embedded derivatives are closely related to those of the short-term debt agreements. Therefore, they are included in the measurement of the short-term debt.

Short-term debt includes a demand loan with the Government of Yukon. The loan is repayable in full at the end of the term of the loan. Interest compounds on a semi-annual basis and is accrued within accounts payable and accrued liabilities on the Consolidated Statement of Financial Position.

**j) Financial Instruments**

The Corporation's financial instruments include cash, accounts receivable, contributions receivable, accounts payable and accrued liabilities, accrued payroll and benefits and short and long-term debt. The carrying value of cash, accounts receivable, accounts payable and accrued liabilities, accrued payroll and benefits approximate their fair values due to the short-term nature of these financial assets and liabilities.

The following is a list of the Corporation's financial instruments and their related measurement basis as at March 31, 2024.

<b>Financial Assets</b>	<b>Measurement Basis</b>
Cash	Cost
Accounts receivable	Cost
Contributions receivable	Cost



# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 2. Significant Accounting Policies (continued)

#### j) Financial Instruments (continued)

Financial Liabilities	Measurement Basis
Accounts payable and accrued liabilities	Cost
Accrued payroll and benefits	Cost
Short-term debt	Amortized Cost
Long-term debt	Amortized Cost

As all financial instruments are measured at cost or amortized cost, there have been no re-measurement gains or losses. Therefore, the Consolidated Statement of Re-measurement Gains and Losses has been excluded.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations.

Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability. Transaction costs are added to the carrying value of the instruments when they are initially recognized.

#### k) Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably determined.

#### l) Pensions

Eligible employees of the Corporation participate in the Yukon Hospital Corporation Employees' Pension Plan, a defined benefit plan administered by the Corporation's Board of Trustees. Contributions to the plan are required from both the employees and the Corporation.

In general, pensions are based on 2% of the best five years of continuous service minus any adjustments required by the Canada Pension Plan and provisions under the Special Reciprocal Transfer Agreement. The plan members can accumulate up to 30 years of continuous service. Cost of living increases are provided annually to pensioners, as well as upon retirement for deferred pensions.

The expected return on plan assets is based on the fair value of plan assets at the beginning of each fiscal year. Cumulative unrecognized actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service lifetime ("EARSLS") of active employees expected to receive benefits under the plan. Past service credits and costs arising from retroactive plan amendments are recognized in the year of plan amendments.

#### m) Employee Future Benefits Other Than Pensions

Employees earn specified severances, sick leave and special leave benefits as provided for under union contracts and conditions of employment. The benefits are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. The cost of the benefits has been determined based on management's best estimates using expected compensation levels and employee leave credits.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 2. Significant Accounting Policies (continued)

#### n) Asset Retirement Obligation

A liability for an asset retirement obligation (ARO) is recognized at the best estimate of the amount required to retire a capital asset at the financial statement date when there is a legal obligation for the Corporation to incur retirement costs, a past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. The discount rate used reflects the Government of Yukon's cost of borrowing, associated with the estimated number of years to complete the retirement or remediation.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related capital asset and amortized over the asset's estimated useful life. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period. An asset retirement obligation may arise in connection with a capital asset that is not recognized or no longer in productive use. In this case, the asset retirement cost would be expensed.

At each financial reporting date, the carrying amount of the liability is reviewed. The Corporation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related capital asset. Once the related capital asset is no longer in productive use, changes to the liability are recognized as an expense in the period they are incurred. The Corporation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

#### o) Use of Estimates and Measurement Uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. By their nature, these estimates and assumptions are subject to measurement uncertainty. Significant areas requiring the use of management estimates relate to the estimated asset retirement obligations, useful lives of capital assets, determination of the defined benefit pension plan obligation, calculation of allowance for doubtful accounts and actuarial gains or losses, and the liabilities for accrued severance, special leave, retirements and sick leave benefits. Financial results as determined by actual events could differ significantly from these estimates.

### 3. Adoption of New Accounting Standards

#### PS 3400 – Revenue

The Corporation adopted PS 3400 – Revenue, effective April 1, 2023, which establishes standards on how to account for and report on revenue. The Section sets out general guidance for how entities recognize, measure, present and disclose revenue arising from transactions that include performance obligations

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 3. Adoption of New Accounting Standards (continued)

(exchange transactions) and transactions that do not have performance obligations (non-exchange transactions). There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied.

PS 3400 has been applied prospectively to these consolidated financial statements and, as permitted by the transitional provisions, prior periods were not restated.

The implementation of this new Section did not have a material impact on the consolidated financial statements.

### 4. Inventory

	2024	2023
	\$	\$
Operating Room	1,470	1,231
Pharmacy	1,116	1,824
Material Management	925	697
Laboratory	384	368
Total Inventory	3,895	4,120

### 5. Restricted Funds

Included in cash are the following amounts:

	2024	2023
	\$	\$
Externally restricted – capital	322	278
Externally restricted – other	263	276
	585	554

#### a) Externally Restricted for Capital

The Corporation has control over restricted funds which have been contributed for specific capital purchases. The balance in the fund represents the difference between restricted contributions received for capital assets and the funds spent thus far based on the restrictions attached to the contributions.

	2024	2023
	\$	\$
Balance, beginning of year	278	298
Contributions received during the year	44	222
Amounts used for capital purchases during the year	-	(242)
Balance, end of year	322	278

#### b) Externally Restricted for Other

The Corporation has control over restricted funds which have been contributed for specific disbursements to eligible Yukon residents. The balance in the fund represents the difference between restricted contributions received and the funds disbursed thus far based on the restrictions attached to the contributions.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### b) Externally Restricted for Other (continued)

	2024 \$	2023 \$
Balance, beginning of year	276	275
Contributions received during the year	51	62
Amounts disbursed during the year	(64)	(61)
Balance, end of year	263	276

### 6. Pension Costs and Obligations

The Corporation sponsors a defined benefit pension plan. The Corporation contributes amounts as prescribed by an independent actuary. Effective January 1, 2015 changes to the pension plan outlined below divides the Corporation's employees into two groups. In calendar 2024, Group 1 members were required to contribute to the plan at a rate of 6.50% (calendar 2023 – 7.60%) of annualized earnings up to the Year's Maximum Pensionable Earnings ("YMPE") plus 8.50% (calendar 2023 – 9.60%) of annualized earnings in excess of YMPE. Group 2 members were required to contribute to the plan at a rate of 5.40% (calendar 2023 – 6.50%) of annualized earnings up to the YMPE plus 7.40% (calendar 2023 – 8.50%) of annualized earnings in excess of YMPE.

A separate pension fund is maintained to hold plan assets. The Corporation has contracted with external organizations to provide trustee and investment management services for the fund. Pension fund assets are invested in balanced pooled funds of the investment manager. The market value of plan assets was \$198,197 as at March 31, 2024 (2023 - \$173,606).

An actuarial valuation for accounting purposes was performed as at March 31, 2024 using the projected benefits method prorated on services. The actuarial valuation included services rendered by members under the Yukon Hospital Corporation Employees' Pension Plan since the inception of the plan in 1993, as well as service credits in respect of pre-1993 service transferred to the Yukon Hospital Corporation Employees' Pension Plan from the Public Service Pension Plan under the Special Reciprocal Transfer Agreement dated June 1995. The next actuarial valuation for accounting purposes will be performed as at March 31, 2025.

The Corporation has made changes to the Yukon Hospital Corporation Employees' Pension Plan to be consistent with changes made to the Public Service Superannuation Plan in January 2013. These changes affect all employees who are employed by the Corporation after January 1, 2015, with exception of the 50/50 cost sharing that will affect all employees enrolled in the pension plan. Changes include an increase to the early retirement age and the age of eligibility for an unreduced pension as well as a gradual change in cost sharing of contributions to the plan.

#### *Increases to the age of eligibility for an unreduced pension*

The normal retirement age for all members is age 65. Existing plan members as of December 31, 2014 may retire with an unreduced pension at age 60, or after having completed 30 years of continuous service. Plan members who join the Corporation on or after January 1, 2015, will be able to retire with an unreduced pension at age 65, or after having completed 30 years of continuous service.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 6. Pension Costs and Obligations (continued)

#### *Increases to the early retirement age*

Existing plan members as of December 31, 2014 may retire as early as age 50 with a reduced pension, if they have two years of continuous employment service. Plan members who join the Corporation on or after January 1, 2015, will be able to retire early with a reduced pension at age 55, if they have two years of continuous employment service.

#### *Contributions*

As of March 31, 2019, employee and employer contributions to the Plan are at a 50/50 cost-sharing rate.

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, employee turnover and mortality. The assumptions used reflect management's best estimate of these future events. Key assumptions are summarized below:

	2024	2023
<b>Weighted Average Assumptions for Net Period Pension Cost for Fiscal Year</b>		
Discount rate	6.75%	6.00%
Expected long-term rate of return on plan assets	6.75%	6.00%
Rate of compensation increase (exclusive of seniority, merit)	2.50%	2.50%
Expected average remaining service lifetime (EARSL)	9.2	9.2
Inflation rate	2.00%	2.00%

	2024	2023
<b>Weighted Average Assumptions for Benefit Obligation at Fiscal Year</b>		
Discount rate	6.75%	6.75%
Rate of compensation increase (exclusive of seniority, merit)	2.50%	2.50%
Expected average remaining service lifetime (EARSL)	9.2	9.2

As at March 31, 2024, pension fund assets are valued at market value. No adjustment is made for benefits payable or contributions receivable.

	2024 \$	2023 \$
<b>Change in Accrued Benefit Obligation</b>		
Accrued benefit obligation, beginning of year	111,847	114,689
Current period benefit cost (employee and employer), excludes provision for non-investment expenses	4,688	5,623
Interest cost	7,504	6,807
Benefits paid	(6,029)	(8,093)
Actuarial losses (gains)	4,927	(7,179)
Accrued benefit obligation, end of year	122,937	111,847

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 6. Pension Costs and Obligations (continued)

#### Change in Plan Assets

Fair value of plan assets, beginning of year	173,606	172,523
Actual return on plan assets	22,407	(813)
Employer contributions	5,860	7,564
Employee contributions	2,605	2,773
Benefits paid	(6,029)	(8,093)
Actual plan expenses	(252)	(348)
Fair value of plan assets, end of year	198,197	173,606

#### Reconciliation of Funded Status

Accrued benefit obligation	122,937	111,847
Fair value of plan assets	(198,197)	(173,606)
Funded surplus	(75,260)	(61,759)
Unamortized actuarial gains (losses)	5,761	(1,367)
Accrued pension benefit asset	(69,499)	(63,126)

#### Pension Benefits Cost

	2024	2023
Current period benefit cost, includes provision for non-investment expenses	5,087	5,978
Amortization of actuarial losses	1,293	907
Employee contributions	(2,605)	(2,773)
Benefit expense	3,775	4,112
Interest on expected average accrued benefit obligation	7,504	6,807
Expected return on plan assets	(11,792)	(10,408)
Pension benefits cost	(513)	511

As at December 31, 2023 the pension plan had a solvency surplus of \$16,491 (December 31, 2022 – surplus of \$8,785) if valued on the basis that the pension plan were terminated/wound up as at December 31, 2023. The solvency ratio of the plan is 109% (105% in 2022). In accordance with the *Pension Benefits Standards Act, 1985*, the Corporation is required to make special payments when applicable to address the pension solvency requirements. The Corporation is permitted to cover up to a specified maximum with a conforming letter of credit. As at March 31, 2024 the Corporation has a conforming letter of credit totaling \$27,992 (2023 - \$35,128). Starting June 1, 2024, the Corporation will be required to take a contribution holiday in accordance with the *Federal Income Tax Act*.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 7. Capital Assets

	Land	Land Improvements	Buildings	Building Improvements	Equipment & Vehicles	Computer Hardware & Systems Development	Construction In Progress	2024 Total	2023 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,751	1,480	195,262	6,405	29,460	13,246	17,303	264,907	257,764
Acquisitions	-	-	(139)	734	948	389	13,994	15,926	8,669
Transfers	-	-	-	413	1,228	12,386	(14,027)	-	(618)
Disposals	-	-	-	-	(1,044)	(44)	-	(1,088)	(908)
Cost, end of year	1,751	1,480	195,123	7,552	30,592	25,977	17,270	279,745	264,907
Accumulated amortization, beginning of year	-	831	69,718	3,805	20,008	8,728	-	103,090	94,812
Amortization expense	-	136	5,069	465	2,429	2,453	-	10,552	9,182
Disposals	-	-	-	-	(1,012)	(44)	-	(1,056)	(904)
Accumulated amortization, end of year	-	967	74,787	4,270	21,425	11,137	-	112,586	103,090
Net book value	1,751	513	120,336	3,282	9,167	14,840	17,270	167,159	161,817

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 8. Contributions Receivable

The Corporation received financing from CIBC for the construction of the Crocus Ridge building, Watson Lake Hospital, and Dawson City Hospital, as well as for the (note 9) calendar 2023 Pension Solvency obligation. The Government of Yukon has committed funds to repay these loans. As a result, the Corporation has recognized a contribution receivable for the amount committed by the Government of Yukon as outlined in the following tables.

	Commitment	Principal Payment	Total
	\$	\$	\$
<b>March 31, 2024</b>			
Crocus Ridge building	6,192	(1,112)	5,080
Watson Lake Hospital	6,524	(1,619)	4,905
Dawson City Hospital	6,100	(1,200)	4,900
Pension solvency and Letter of Credit interest	4,796	(877)	3,919
	<u>23,612</u>	<u>(4,808)</u>	<u>18,804</u>

Short-term contributions receivable	5,001
Long-term contributions receivable	13,803
	<u>18,804</u>

	Commitment	Principal Payment	Total
	\$	\$	\$
<b>March 31, 2023</b>			
Crocus Ridge building	7,248	(1,056)	6,192
Watson Lake Hospital	8,062	(1,538)	6,524
Dawson City Hospital	7,300	(1,200)	6,100
Pension solvency and Letter of Credit interest	4,867	(71)	4,796
	<u>27,477</u>	<u>(3,865)</u>	<u>23,612</u>

Short-term contributions receivable	4,808
Long-term contributions receivable	18,804
	<u>23,612</u>



# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 9. Short-Term Debt

	2024 \$	2023 \$
Demand term installment loan with CIBC with interest calculated at Bankers' Acceptance with stamping fees calculated at 85 bps per annum exchanged for fixed rate by way of interest rate swap fixed at 5.15% per annum for the Watson Lake Hospital construction project. Blended payments of \$160 due monthly beginning on December 30, 2011 with the final payment due on December 31, 2026.	4,905	6,524
Demand term installment loan with CIBC with interest calculated at Bankers' Acceptance with stamping fees calculated at 85 bps per annum exchanged for fixed rate by way of interest rate swap fixed at 4.525% per annum for the Dawson City Hospital construction project. Principal payments of \$100 due monthly beginning on May 1, 2013 with the final payment due on April 1, 2028.	4,900	6,100
Demand term installment loan with CIBC with interest calculated at Bankers' Acceptance with stamping fees calculated at 85 bps per annum exchanged for a fixed rate by way of interest rate swap fixed at 5.23% per annum for the Crocus Ridge construction project. Blended payments of \$117 due monthly beginning December 15, 2010 with the final payment due on March 15, 2028.	5,080	6,192
Demand term loan with Government of Yukon with interest on letter of credit portion at 65 bps. Annual interest rate is prime (3.95%). Term of loan is 15 years, with final payment of principal and interest due on December 11, 2034.	3,063	3,063
Demand term installment loan with CIBC with interest calculated at Bankers' Acceptance with stamping fees calculated at 80 bps per annum exchanged for a fixed rate by way of interest rate swap fixed at 5.30% per annum for the Pension solvency and Letter of Credit interest. Blended payments of \$93 due monthly beginning March 31, 2023 with the final payment due on February 28, 2028.	3,919	4,796
	<b>21,867</b>	<b>26,675</b>

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 9. Short-Term Debt (continued)

Due to the conditions in the loans with CIBC and the Government of Yukon, all debt has been classified as current as CIBC and the Government of Yukon have the ability to call the loans at any time.

In 2023, the Corporation was requested by the Government of Yukon to obtain a loan with a financial institution to cover the current year's Pension Solvency and Letter of Credit obligation. The Corporation obtained a loan from CIBC for \$4,867 with a commitment from the Government of Yukon to provide debt servicing support.

#### Principal Repayment Schedule

Principal repayment on the indebtedness over the next five years and thereafter are as follows:

	\$
2025	5,001
2026	5,204
2027	4,937
2028	3,562
2029	100
2030 and thereafter	3,063
	<u>21,867</u>

In addition to its repayment schedule, the demand term instalment loans with CIBC require that the Corporation exchange the variable interest payment with a fixed interest payment. Under these agreements, the Corporation exchanged with CIBC \$883 (2023 - \$936) of variable interest payments representing an average variable rate of 4.16% (2023 - 4.05%) to a fixed interest payment of \$1,081 (2023 - \$1,060), representing an average fixed rate of 5.1% (2023 - 4.59%). These exchanges were made on a net cash basis.

### 10. Deferred Revenue

The balance of \$1,103 (2023 - \$952) includes \$389 in restricted contributions related to the Yukon Hospital Foundation and Run for Mom, and \$714 in other externally restricted funds from the Government of Yukon.

### 11. Long-Term Debt

In 2003, Yukon Development Corporation, a common control entity of the Government of Yukon, financed an electric boiler system for the Corporation for a total cost of \$596. The long-term debt bears interest of 7.5% which is payable in an annual installment. The principal is repayable based on 50% of the realized annual energy savings. The long-term debt is secured by a general security agreement on building improvements with a net book value of \$0 (2023 - \$0).

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 11. Long-Term Debt (continued)

An initial payment on principal of \$200 was made by the Corporation in 2004 and since then \$311 has been repaid from the realized annual energy savings, including \$0 repaid in the current year based on realized energy savings of \$0 (2023 - \$0). The Corporation has not received access to secondary sales and a request was approved by Yukon Development Corporation to forgive the remaining balance of \$85 (2023 - \$85) in fiscal 2024, consistent with section 4.7 of the Secondary Power Infrastructure Loan Agreement. On July 10, 2024, the Government of Yukon forgave the balance in accordance with section 14(1) (b) of the *Financial Administration Act*.

### 12. Employee Future Benefits Other Than Pensions

In addition to pension benefits, the Corporation provides severances, sick leave and special leave benefits to its employees. The cost of these benefits accrues either as employees render service or upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation.

	2024 \$	2023 \$
Severance	2,945	2,333
Sick leave	888	747
Less: short-term portion (included in accrued payroll and benefits)	(464)	(175)
	<u>3,369</u>	<u>2,905</u>

### 13. Deferred Capital Contributions

Deferred capital contributions represent restricted contributions received or receivable to purchase capital assets. The changes in the deferred capital contributions balance for the year are as follows:

	2024 \$	2023 \$
Balance, beginning of year	162,007	159,219
Restricted Government of Yukon contributions	13,269	10,051
Restricted non-government contributions	34	254
Amount amortized to revenue	(9,050)	(7,517)
Balance, end of year	<u>166,260</u>	<u>162,007</u>

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 14. Asset Retirement Obligation

The Corporation's Asset Retirement Obligation consists of the following:

#### 1) Asbestos liability

The Corporation owns and operates several buildings that are known to contain asbestos, which represents a health hazard upon demolition of the building. Per Occupational Health and Safety Legislation, there is a legal obligation to remove the asbestos when the building is retired. Following the adoption of PS 3280 – *Asset Retirement Obligations*, the Corporation estimated and recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as at April 1, 2022. The buildings have a remaining estimated useful life ranging from 5 to 31 years since they were acquired. Estimated costs have been discounted to the present value using a discount rate of 3.45% (2023 - 2.5%) per annum, to be incurred over the remaining estimated useful life of the buildings.

#### 2) Fuel tanks liability

The Corporation has recognized asset retirement obligations for its fuel tanks, allocated to buildings, at the Whitehorse General Hospital site. Asset retirement activities for the fuel tanks may include decommissioning or dismantling the tanks, remediation of contamination from their normal use, and post-retirement monitoring. Following the adoption of PS 3280 – *Asset Retirement Obligations*, the Corporation estimated and recognized an obligation relating to the removal and post-removal care of the fuel tanks as at April 1, 2022. The fuel tanks have an estimated remaining useful life of 10 years. Estimated costs have been discounted to the present value using a discount rate of 3.45% (2023 - 2.5%) per annum, to be incurred over the remaining estimated useful life of the fuel tanks.

Changes to the asset retirement obligation in the year are as follows:

	<b>Asbestos</b>	<b>Fuel Tanks</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance,	1,040	234	1,274
Change in estimate	(133)	(6)	(139)
ARO accretion	31	8	39
<b>Closing balance</b>	<b>938</b>	<b>236</b>	<b>1,174</b>

	<b>Asbestos</b>	<b>Fuel Tanks</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance,	1,015	228	1,243
ARO accretion	25	6	31
<b>Closing balance,</b>	<b>1,040</b>	<b>234</b>	<b>1,274</b>

The undiscounted asset retirement obligation adjusted for inflation is \$1,174 (2023 – \$2,052).

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 15. Investment in Capital Assets

- a) Net assets invested in capital assets is calculated as follows:

	2024 \$	2023 \$
Capital assets (note 7)	167,159	161,817
Amounts financed by deferred capital contributions (net of unexpended externally restricted contributions)	(165,938)	(161,727)
	<u>1,221</u>	<u>90</u>

Change in net assets invested in capital assets is calculated as follows:

- b) Change in amortization

	2024 \$	2023 \$
Amortization of deferred capital contributions	9,050	7,517
Amortization of capital assets	(10,552)	(9,182)
	<u>(1,502)</u>	<u>(1,665)</u>

- c) Net change in invested capital assets

	2024 \$	2023 \$
Purchase of capital assets (net of contributed land)	15,926	8,053
Amounts funded by deferred capital contributions	(13,261)	(10,325)
Disposal of capital assets (net of accumulated amortization)	(32)	(4)
	<u>2,633</u>	<u>(2,276)</u>

### Contributed Land and Building

Certain assets in Whitehorse, including land were transferred from the Government of Canada and the Government of Yukon to the control of the Corporation on April 1, 1993 and January 19, 1994. Contributed land also includes land transferred from the Government of Yukon on May 14, 2010 in Watson Lake, in April 2011 in Dawson City, and on May 12, 2011 for the escarpment behind the existing Whitehorse General Hospital.

In fiscal 2012, the Government of Yukon transferred land and building in Dawson City, as well as land behind Whitehorse General Hospital to the Corporation at no cost. The value of this additional land and buildings is \$741. The land and buildings were recorded at fair value.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 15. Investment in Capital Assets (continued)

#### Contributed Equipment

In fiscal 2021, the Government of Yukon transferred to the Corporation six drug dispensers and six drug cabinets at no cost. These assets were recorded at a fair value of \$746.

In fiscal 2021, in response to the COVID-19 pandemic, the Government of Canada transferred to the Corporation two sterilizers for N95 masks at no cost. These assets were recorded at a fair value of \$240.

The Corporation did not receive any contributed equipment in fiscal 2024.

### 16. First Nations Health Program

Under an annual contribution agreement, the Government of Yukon provides funds to the Corporation for the purpose of operating the FNHP at the Whitehorse General Hospital. The FNHP includes a health liaison worker program, child life worker for the pediatric ward, traditional medicine, traditional diet, employment equity and training program, interpretation services and in-service training.

The FNHP was established in 1993 under the Whitehorse General Hospital Programs and First Nations Health Services and Community Health Transfer Agreement. Core funding was provided by the Government of Yukon. The programs could not all be implemented in the year which the funding was received and as a result a substantial surplus was realized. An agreement between the Government of Yukon and the First Nations Health Committee restricted this surplus to be used for First Nations programming only. The FNHP is outlined in the *Hospital Act*.

The following amounts pertain to the FNHP and have been included in the Consolidated Statement of Operations.

	2024	2023
	\$	\$
<b>Revenues</b>		
Government of Yukon contribution (note 18)	1,200	1,200
Other	274	191
Government of Yukon – Other (note 18)	24	22
Interest	25	14
	<b>1,523</b>	<b>1,427</b>
<b>Expenses</b>		
Payroll	1,336	1,329
Sundry	115	96
Contracted Services	75	-
Travel	61	71
Material and supplies	24	10

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 16. First Nations Health Program (continued)

Honorariums	13	6
Amortization	3	3
Equipment	12	-
	<u>1,639</u>	<u>1,515</u>
Surplus of revenues over expenses	(116)	(88)
Opening surplus	88	176
Net (deficit) surplus, restricted for FNHP	<u>(28)</u>	<u>88</u>

### 17. Other Expenses

	2024	2023
	\$	\$
Software maintenance	1,421	1,153
Property tax	1,397	1,373
Delivery/courier/taxi	967	975
Legal and professional fees	942	716
Bad debt	849	194
Conference fees/travel	792	634
Communications	788	781
Insurance	531	477
Miscellaneous	399	362
Membership fees	310	289
Recruitment and relocation	270	401
Advertising	112	99
Honorariums	103	88
	<u>8,881</u>	<u>7,542</u>

### 18. Related Party Transactions

	2024	2023
	\$	\$
<b>Government of Yukon contribution</b>		
Basic funding	114,969	84,323
First Nations Health Program (note 16)	1,200	1,200
<b>Total basic funding</b>	<u>116,169</u>	<u>85,523</u>
Other	5,437	7,917
Other – First Nations Health Program (note 16)	24	22
<b>Total Government of Yukon contribution</b>	<u>121,630</u>	<u>93,462</u>

Revenue received from the Government of Yukon for services was \$121,630 for 2024 (2023 - \$93,462). The 2024 contribution includes \$93 (2023 - \$93) of flow-through funding provided to the Foundation.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 18. Related Party Transactions (continued)

	2024 \$	2023 \$
<b>Other government contracts</b>		
Government Service contracts	892	948
Cost recovery arrangement	3,579	2,753
<b>Total other government contracts</b>	<b>4,471</b>	<b>3,701</b>

In fiscal 2024, the Corporation held various service contracts relating to the provision of food, laundry and housekeeping services with Government of Yukon. The revenue recognized from these agreements is included in Other government contracts in the Consolidated Statement of Operations.

In compliance with the agreement outlined in Appendix H of the 1994 Whitehorse General Hospital Transfer Agreement between the Corporation, the Government of Yukon and the Government of Canada (Appendix H), the Corporation provided goods in the amount of \$3,579 (2023 - \$2,753) to related parties which includes a 15% administration charge on material management supplies purchased in excess of \$80. The Corporation recovered only the cost of goods of \$3,403 (2023 - \$2,287). As this is a cost recovery arrangement, the revenues and cost of sales have been reported on a gross basis.

#### Services Without Charge

The Corporation leases space to the Government of Yukon. The leases for the ambulance station, #2 Hospital Road, #4 Hospital Road, and 29,679 square feet of office space located in the Thomson Centre building are at an annual nominal amount of \$1.

Appendix H outlines Whitehorse General Hospital's obligation to provide residual services to Yukon communities at no charge. The total cost of providing these services for 2024 was \$778 (2023 - \$501).

#### Other Related Party Transactions

In addition to those related party transactions disclosed elsewhere in these consolidated financial statements (notes 5, 8, 9, 11, 13, 15 and 16) the Corporation entered into the following transactions with related entities on similar terms and conditions as entities at arm's length.

As at March 31, 2024 there were \$799 (2023 - \$297) of accounts payable and accrued liabilities and \$11,631 (2023 - \$2,005) of accounts receivable related to the Government of Yukon.

The Government of Yukon and the Corporation entered into an agreement transferring ownership of the Watson Lake Hospital to the Corporation effective April 1, 2010. The Watson Lake Hospital transfer included land, buildings and medical equipment worth \$2,424.



# **Yukon Hospital Corporation**

## **Notes to the Consolidated Financial Statements**

March 31, 2024

(in thousands of dollars)

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### **18. Related Party Transactions (continued)**

The transaction was recorded at fair value. The Corporation agreed that it may transfer part of the old building back to the Government of Yukon at the request of, and subject to any conditions imposed by the Government of Yukon. In addition, the Corporation may be required to grant to the Government of Yukon a lease on such terms as the Government of Yukon may require. No transfers were made back to Government of Yukon in fiscal 2024.

In fiscal 2022, the Corporation (the Lessor) amended a lease from fiscal 2012 with the Government of Yukon (the Lessee) for approximately 22,075 square feet of office space located on the 1st and 2nd floor of the Crocus Ridge building. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2014, the Corporation (the Lessor) entered into a lease with the Government of Yukon (the Lessee) for approximately 2,540 square feet of clinical space located in the Dawson City Hospital. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2015, the Corporation (the Lessor) entered into a lease with the Government of Yukon (the Lessee) for approximately 2,206 square feet of office space located in the Dawson City Hospital. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2016, the Corporation (the Lessor) amended a lease from fiscal 2014 with the Government of Yukon (the Lessee) for approximately 2,660 square feet of rentable space to add 2,858 square feet of space in the lower level of the Watson Lake Hospital. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2022, the Corporation (the Lessor) amended a lease from fiscal 2019 with the Government of Yukon (the Lessee) for approximately 97 square feet of office space located in the Dawson City Hospital. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2022, the Corporation (the Lessor) amended a lease from fiscal 2019 with the Government of Yukon (the Lessee) for approximately 147 square feet of office space located in the Dawson City Hospital. This lease is recorded at the exchange amount which approximates fair value.

In fiscal 2019, the Corporation (the Lessor) entered into a lease with the Government of Yukon (the Lessee) for approximately 153 square feet of clinical space and approximately 22 square feet of storage space located in the Dawson City Hospital. This lease is recorded at the exchange amount which approximates fair value.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 18. Related Party Transactions (continued)

Details of the leases are outlined as follows:

	Annual Lease Payments \$	Term Years
Crocus Ridge 1 <sup>st</sup> and 2 <sup>nd</sup> floor office space	825	5
Dawson City Hospital clinical space	95	15
Dawson City Hospital office space	69	15
Dawson City Hospital office space	5	5
Dawson City Hospital office space	3	5
Dawson City Hospital clinical space	7	10
Watson Lake Hospital rentable space	69	15
Watson Lake Hospital space	74	13
	<u>1,147</u>	

### 19. Contractual Obligations and Contingencies

The Corporation has contractual commitments whereby the minimum required payments for the next five years and thereafter are as follows:

	\$
2025	23,274
2026	10,679
2027	9,463
2028	4,046
2029 and thereafter	491
	<u>47,953</u>

Contractual commitments fall under the following major categories; capital projects, medical and other equipment service agreements, software maintenance agreements and professional/service level agreements.

In the normal course of operations, the Corporation is subject to legal claims and possible claims. While the outcome of legal claims or possible claims is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually or in the aggregate, the probable ultimate resolution of all legal claims and possible claims will not have a material impact on the Corporation's consolidated financial position, results of its operations or its cash flows.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 20. Financial Risks

The Corporation has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk.

The Board of Trustees is responsible for ensuring that the Corporation has identified its major risks and ensures that management monitors and controls them. The Executive Committee oversees the Corporation's systems and practices of internal control, and ensures that these controls contribute to the assessment and mitigation of risk. The Executive Committee reports regularly to the Board of Trustees on its activities. The Corporation has experienced no change in its risk exposure and has not made any changes to its risk management policies and procedures.

#### a) Credit Risk

Credit risk is the risk of a financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Corporation consisting of cash, accounts receivables, and contributions receivable.

##### *Cash:*

The Corporation's exposure to credit risk associated with cash is assessed as low because the Corporation's cash deposits are held by a Canadian Schedule 1 Chartered bank.

##### *Accounts Receivable:*

The Corporation's exposure to credit risk associated with accounts receivable is assessed as low because it is due largely from governments.

Allowances for doubtful accounts are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Consolidated Statement of Financial Position are net of these allowances for doubtful accounts. All accounts receivable are considered for impairment based on the type of patient revenue and historical repayment information.

The maximum exposure to credit risk for accounts receivable by type of customer is as follows:

	2024	2023
	\$	\$
Government of Yukon	11,631	2,005
Consumers	1,575	1,466
Other governments	864	808
Other	346	430
	<u>14,416</u>	<u>4,709</u>

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

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### 20. Financial Risks(continued)

The Corporation's accounts receivable has a carrying value of \$14,416 as at March 31, 2024 (2022 - \$4,709). As at March 31, 2024, approximately 28% (2023 - 51%) of accounts receivable were over 90 days past due, whereas 4% (2023 - 5%) was between 31 - 90 days and 68% (2023 - 44%) were current or less than 30 days past due. The Corporation's allowance for doubtful accounts is \$2,191 as at March 31, 2024 (2023 - \$1,340).

#### *Contributions Receivable:*

The Corporation's exposure to credit risk associated with contributions receivable is assessed as low because the amount is due from the Government of Yukon.

### b) Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation's objective is to have sufficient liquidity to meet these liabilities when due. The Corporation monitors its cash balance and cash flows generated from operations to meet its liquidity requirements.

The liquidity risk arises from the financial liabilities consisting of accounts payable and accrued liabilities, accrued payroll and benefits, short-term debt and long-term debt. The Corporation's accounts payable and accrued liabilities had a carrying value of \$16,882 as at March 31, 2024 (2023 - \$12,636). As at March 31, 2024, approximately 4% (2023 - 1%) of accounts payable were over 90 days past due, whereas 57% (2023 - 43%) were current or less than 30 days past due. The Corporation's accrued payroll and benefits has a carrying value of \$5,300 as at March 31, 2024 (2023 - \$4,967) and is payable in the next fiscal year.

The Corporation's short-term debt has remaining undiscounted contractual cash flows of \$27,849 as at March 31, 2024 (2023 - \$32,019) and may be repayable in the next fiscal year.

The Government of Yukon has committed the funds to repay the short-term debt owed to third parties (note 8). The Corporation's long-term debt to a related party (note 11) has remaining undiscounted contractual cash flows of \$85 as at March 31, 2024 (2023 - \$85).

### c) Market Risk

#### **Currency Risk**

Currency risk is the risk that the value of financial assets and liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates. The Corporation is not exposed to any significant currency risk.

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Corporation is not exposed to any significant interest rate risk.

# Yukon Hospital Corporation

## Notes to the Consolidated Financial Statements

March 31, 2024

(in thousands of dollars)

### 20. Financial Risks(continued)

Long-term debt has interest rates fixed for long periods of time with the debt intended to be repaid in accordance with corresponding energy savings.

For its short-term debt with CIBC, the Corporation mitigates interest rate risk through interest rate swaps that exchange the variable rate inherent in the term debt for a fixed rate. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the short-term debt. The short-term loan with the Government of Yukon is at the Government's prime rate and is subject to market fluctuations. Due to the loan balance the variability in interest rates is not expected to have a significant impact on the Corporation.

### 21. Capital Management

The Corporation is subject to the financial management and accountability provisions of the *Hospital Act*, the *Yukon Financial Administration Act*, and the *Yukon Act* which impose restrictions in relation to borrowings and acquisitions of investments. The Corporation receives its principal source of capital through funding received from the Government of Yukon. The Corporation's financial objectives are to comply with externally imposed restrictions and manage its capital as a by-product of managing revenues, expenses, assets and liabilities. The Corporation considers its capital to be its net assets related to restricted for capital purchases, internal; restricted for pension; and unrestricted. The Corporation's financial objectives as stated above have remained unchanged from the prior year. The Corporation has complied with the externally imposed restrictions on the funding provided.

Internally restricted capital purchases are used to cover commitments or obligations that are expected to arise in the future. The restricted for pension capital is the difference between the contributions to the pension plan and the actuarially determined pension expense and is recorded as an accrued pension benefit asset (non-current assets) and restricted for pension (net assets) on the Consolidated Statement of Financial Position. This entry reflects trapped capital as these contributions cannot be touched and remain in the plan.

The Corporation defines and computes its capital as follows:

	2024	2023
	\$	\$
Restricted for capital purchases, internal	1,221	1,128
Restricted for pension	69,499	63,126
Unrestricted	(7,340)	(15,077)
	<u>63,380</u>	<u>49,177</u>

YUKON HOUSING CORPORATION  
FINANCIAL STATEMENTS  
March 31, 2024  
(audited)

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**Yukon Housing Corporation**  
**PO Box 2703 (Y-1), Whitehorse, Yukon Y1A 2C6**

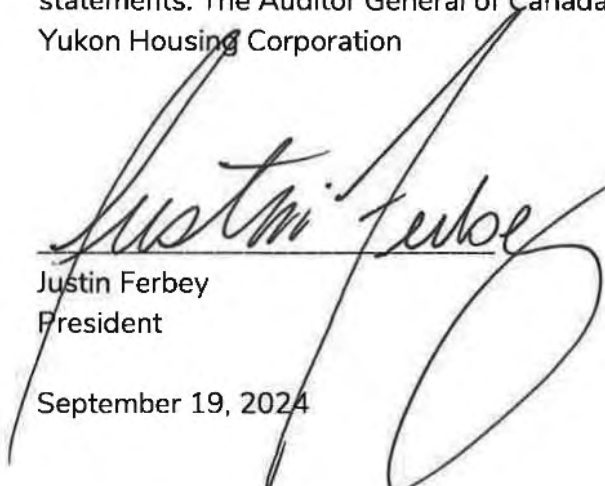
### **Management's Responsibility for Financial Reporting**

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The integrity and objectivity of the data in these financial statements are management's responsibility.

Management is responsible for developing and maintaining books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of financial information; that assets are safeguarded and controlled; and that transactions are in accordance with the *Financial Administration Act* as well as the *Housing Corporation Act* and the bylaws of the Yukon Housing Corporation (the Corporation).


The Board of Directors (the Board) is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board exercises its responsibility through the Finance and Audit and Risk Management Committee, which meets on a periodic basis with management and the independent external auditor to review the manner in which these groups are performing their responsibilities and to discuss auditing, internal controls and other relevant financial matters. The Board of Directors reviews the audited financial statements with the external auditor before their approval.

The Corporation's external auditor, the Auditor General of Canada, is responsible for auditing the financial statements and issuing her report thereon which is included with the audited financial statements. The Auditor General of Canada addresses her report to the Minister responsible for the Yukon Housing Corporation



Justin Ferbey  
President

September 19, 2024



Daniel Jirousek  
Director, Finance and Risk Management





## INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Yukon Housing Corporation

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Yukon Housing Corporation (the Corporation), which comprise the statement of financial position as at 31 March 2024, and the statement of operations and accumulated surplus, statement of change in net debt and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 March 2024, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

*Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

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

## **Report on Compliance with Specified Authorities**

### *Opinion*

In conjunction with the audit of the financial statements, we have audited transactions of the Yukon Housing Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Financial Administration Act* of Yukon and regulations, the *Housing Corporation Act* and regulations, and the by-laws of the Yukon Housing Corporation.

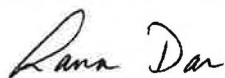
In our opinion, the transactions of the Yukon Housing Corporation that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Housing Corporation Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by the Yukon Housing Corporation and the financial statements are in agreement therewith.

### *Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the Yukon Housing Corporation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Yukon Housing Corporation to comply with the specified authorities.

### *Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Lana Dar, CPA, CA  
Principal  
for the Auditor General of Canada

Vancouver, Canada  
19 September 2024



Yukon Housing Corporation  
Statement of Financial Position  
as at March 31, 2024

	2024	2023
	(thousands of dollars)	
<b>Financial assets</b>		
Cash (Note 4)	\$ 25,974	\$ 6,804
Accounts receivable (Notes 5 and 22)	7,144	691
Due from the Government of Yukon (Notes 16(a) and 22)	900	1,281
Mortgages and loans receivable (Notes 6 and 22)	27,741	29,515
	<u>61,759</u>	<u>38,291</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 22)	7,770	7,033
Environmental liability (Note 7)	754	579
Asset retirement obligation (Note 21)	8,992	9,962
Deferred revenue (Note 8)	25,693	2,993
Long-term debt (Notes 9 and 22)	8,958	9,638
Post-employment benefits (Note 10)	2,230	2,497
Advances - Government of Yukon (Note 12)	17,999	17,523
	<u>72,396</u>	<u>50,225</u>
<b>(Net debt) net financial assets</b>	<u><b>(10,637)</b></u>	<u><b>(11,934)</b></u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 13 and Schedule B)	118,333	114,754
Prepaid expenses (Note 20)	3,563	3,644
	<u>121,896</u>	<u>118,398</u>
<b>Accumulated surplus</b>	<u><b>\$ 111,259</b></u>	<u><b>\$ 106,464</b></u>
Contractual obligations and contingencies (Note 17)		
Contractual rights (Note 18)		

Approved by the Board of Directors



Director

  
Director

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



**Yukon Housing Corporation**  
**Statement of Operations and Accumulated Surplus**  
**for the year ended March 31, 2024**

	2024		2023
	Main Estimates (Note 1(c))	Actual	Actual
	(thousands of dollars)		
<b>Revenues</b>			
Rental and related client services income (Note 14)	\$ 7,705	\$ 8,526	\$ 7,833
Funding from Canada Mortgage and Housing Corporation			
- National Housing Strategy	5,302	6,279	4,976
- Social Housing Agreement	3,029	3,029	3,518
- Northern Carve Out	13,800	2,202	-
- Investment in Affordable Housing	-	247	-
- Northern Funding Agreement	-	-	140
Interest income	1,186	1,654	1,305
Other	20	268	348
Tenant damage charge back recovery	60	53	59
Recovery of loan receivable allowances	-	-	27
	<u>31,102</u>	<u>22,258</u>	<u>18,206</u>
<b>Expenses (Note 15)</b>			
Social and staff housing operations (Schedule A)	18,890	20,668	18,691
Lending and grant programs (Schedule A)	14,993	15,171	6,685
Amortization (Note 15 and Schedule B)	4,079	4,810	4,563
Corporate services (Schedule A)	2,144	3,521	2,737
Administration (Schedule A)	2,940	2,405	2,186
Rent supplement programs	2,647	2,187	1,722
Subsidies - private social housing organizations	617	524	393
	<u>46,310</u>	<u>49,286</u>	<u>36,977</u>
<b>Deficit for the year before government funding</b>	<b>(15,208)</b>	<b>(27,028)</b>	<b>(18,771)</b>
<b>Government of Yukon funding</b>			
Capital transfer revenue	24,251	21,212	10,768
Operations and maintenance transfer revenue	10,921	9,391	8,116
Low Carbon Economy Fund	2,367	718	2,035
Rental assistance - in-kind (Note 16(b))	-	502	502
	<u>37,539</u>	<u>31,823</u>	<u>21,421</u>
<b>Surplus for the year</b>	<u><u>\$ 22,331</u></u>	<u>4,795</u>	<u>2,650</u>
Accumulated surplus at beginning of year		106,464	103,814
<b>Accumulated surplus at end of year</b>		<u><u>\$ 111,259</u></u>	<u><u>\$ 106,464</u></u>

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



Yukon Housing Corporation  
Statement of Change in Net Debt  
for the year ended March 31, 2024

	2024		2023
	Main Estimates (Note 1(c))	Actual	Actual
	(thousands of dollars)		
<b>Surplus for the year</b>	\$ 22,331	\$ 4,795	\$ 2,650
<b>Effect of change in tangible capital assets</b>			
Acquisitions	(26,410)	(8,858)	(6,885)
Change in asset retirement obligation estimate	-	394	555
Amortization of tangible capital assets	4,079	4,810	4,563
Write-down of tangible capital assets	-	75	56
	(22,331)	(3,579)	(1,711)
<b>Effect of change in other non-financial assets</b>			
Consumption of prepaid expenses	-	271	186
Purchase of prepaid expenses	-	(190)	(377)
	-	81	(191)
<b>Increase (decrease) in net financial assets (net debt)</b>	<u>\$ -</u>	<u>1,297</u>	<u>748</u>
Net debt at beginning of year		(11,934)	(12,682)
<b>Net debt at end of year</b>		<u>\$ (10,637)</u>	<u>\$ (11,934)</u>

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



Yukon Housing Corporation  
Statement of Cash Flow  
for the year ended March 31, 2024

	2024	2023
	(thousands of dollars)	
<b>Operating transactions</b>		
Surplus for the year	\$ 4,795	\$ 2,650
Adjustments for non-cash items		
Transfer revenue from Government of Yukon (Note 12)	476	(3,799)
Amortization of tangible capital assets (Note 13 and Schedule B)	4,810	4,563
Change in environmental liability estimate (Note 7)	360	395
Change in asset retirement obligation estimate	(573)	-
Accretion expense (Note 21)	299	256
Post-employment benefits expense (Note 10)	221	265
Bad debt expense (Schedule A)	152	(161)
Write-downs of tangible capital assets (Schedule B)	75	56
Mortgages receivable allowances / discounts (Note 6)	306	(62)
	<u>10,921</u>	<u>4,163</u>
Changes in accruals of operating cash receipts or (payments)	<u>16,143</u>	<u>4,751</u>
Cash provided by operating transactions	<u>27,064</u>	<u>8,914</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	<u>(8,684)</u>	<u>(8,422)</u>
Cash (used for) capital transactions	<u>(8,684)</u>	<u>(8,422)</u>
<b>Investing transactions</b>		
Issuances of mortgages receivable	(2,266)	(4,185)
Repayments of mortgages receivable	3,553	6,707
Repayments of land sales agreements receivable	183	442
Cash provided by investing transactions	<u>1,470</u>	<u>2,964</u>
<b>Financing transactions</b>		
Repayments of long-term debt	(497)	(714)
Repayments of land sales agreements payable	(183)	(442)
Cash (used for) financing transactions	<u>(680)</u>	<u>(1,156)</u>
<b>Increase (decrease) in cash</b>	<b>19,170</b>	<b>2,300</b>
Cash at beginning of year (Note 4)	<u>6,804</u>	<u>4,504</u>
<b>Cash at end of year (Note 4)</b>	<b>\$ 25,974</b>	<b>\$ 6,804</b>
Interest received in the year	\$ 1,654	\$ 1,305
Interest paid in the year	38	50

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



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**1. Authority and operations**

(a) Authority

Yukon Housing Corporation (the Corporation) was established in 1972 by the *Housing Corporation Act* of Yukon to undertake, carry to completion, or assist in the provision, development, maintenance and management of housing. The Corporation is subject to the *Financial Administration Act* of Yukon. Disbursements for operations and loans are authorized by the Yukon Legislative Assembly through the Appropriation Acts.

(b) Mission

The mission of the Corporation is to work collaboratively to provide responsive and innovative solutions to diverse housing needs and vulnerabilities.

In carrying out its mission, the Corporation provides rental housing at below market rents to applicants who qualify for social housing. Rental income received from housing tenants is less than the associated costs of supplying these rental units. The Corporation also provides loans for the purpose of housing. The Corporation is dependent on the Government of Yukon for funding its operations.

Pursuant to Section 45(1) of the *Housing Corporation Act*, the Commissioner in Executive Council established Housing Advisory Boards in the communities of Carcross, Carmacks, Dawson City, Faro, Haines Junction, Mayo, Ross River, Teslin, Watson Lake and Whitehorse. Local Housing Advisory Boards involve local community members in the decision making process regarding housing in their community. They provided advisory services to the Corporation and a review function in appeals of decisions made by the Corporation. In 2021-22, these Housing Advisory Boards became inactive. Effective March 7, 2024, Order-in-council 2024-45 and Order-in-Council 2024-44 repealed the Housing Advisory Boards and Advisory Board Regulations respectively for Carcross, Carmacks, Dawson City, Faro, Haines Junction, Mayo, Ross River, Teslin, Watson Lake, and Whitehorse.

(c) Main estimates

The Main Estimates figures are from the Main Estimates approved in the Yukon Legislative Assembly in 2023. These figures do not reflect changes arising from the Supplementary Estimates approved later in the year by the Yukon Legislative Assembly.

**2. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian public sector accounting standards. Significant accounting policies are as follows:

(a) Funding and advances from the Government of Yukon

A funding agreement between the Corporation and the Government of Yukon authorizes the Government of Yukon to provide the Corporation with an annual operations and maintenance transfer payment and a capital transfer payment. The transfer payments are equal to the Corporation's actual net operating deficit and net capital expenditures calculated in accordance with the funding agreement and reported to the Government of Yukon in the Corporation's final Period 12 Variance Report. The transfer payments are recognized in accordance with the Corporation's policy for the recognition of government transfers (Note 2(i)). Advances provided by the Government of Yukon in excess of the transfer payments are recorded as a liability of the Corporation (Note 12).





Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**2. Significant accounting policies (continued)**

(a) Funding and advances from the Government of Yukon (continued)

The free rental of a social housing building provided by the Government of Yukon to the Corporation is recorded as rental assistance in-kind revenue and offsetting building services in-kind expenses (Note 16(b) and Schedule A).

(b) Cash

Cash includes cash on hand, bank balances and bank indebtedness repayable on demand.

(c) Housing inventory

The Corporation recognizes a house for sale as inventory when all of the following criteria are met prior to the date of the financial statements: sale of the asset is approved; the asset is in a condition to be sold; the asset is publicly seen to be for sale; there is an active market for the asset; there is a plan in place for selling the asset; and it is reasonably anticipated that the sale to the third party will be completed within one year. The asset held for sale is measured at the lower of cost less any valuation allowance or fair value less cost to sell.

(d) Mortgages and loans receivable

Mortgages receivable are recorded at amortized cost less any amount for valuation allowances.

Based on historical loss experience, management establishes a valuation allowance for impaired loans. Mortgages are classified as impaired when the Corporation no longer has reasonable assurance of timely collection of the full amount of principal and interest due. The valuation allowance adjusts a mortgage's carrying value to its net recoverable value.

Under the Social Housing Agreement signed with Canada Mortgage and Housing Corporation (CMHC) in 1998, the Corporation may be required to subsidize a debtor's repayment of a Rural and Native Housing Home Ownership Program mortgage. These subsidies vary in amount depending on the income of the recipients and are expensed when incurred. CMHC funding provided to the Corporation includes an amount for subsidies.

Under the Home Repair Program, the Corporation may subsidize a debtor's repayment. These subsidies, reviewed annually, are based on the debtor's ability to pay. Each year, the Corporation records an allowance for Home Repair Program subsidies based on loans receiving a subsidy at year end.

Loans with concessionary terms are reviewed annually. Concessionary loans are recorded at the discounted value of the loan after the grant portion has been charged to concessionary loan discount expense. For concessionary loans, subsequent to initial valuation, the loans are carried at amortized cost using the effective interest method. The discounted value and the effective interest rate are determined using the Corporation's average borrowing rate at the date of issuance. The grant portion is calculated as the difference between the face value and the discounted value of the loan and is recorded as concessionary loans discount expense at the date of issue. The amortization of the discount would be recorded as an increase in the loan balance and an increase to interest income.

Housing industry loans are provided to private organizations and individuals as a way to finance the construction of more affordable rental units. These loans are also provided to organizations that are seeking financing to build shelters to accommodate social programs.

Loans receivable from lots sold to purchasers for residential, commercial and recreational purposes under land sales agreements are recorded at the lower of cost or net recoverable value.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**2. Significant accounting policies (continued)**

**(e) Tangible capital assets**

Tangible capital assets are recorded at cost, net of accumulated amortization. Interest on loans during construction of capital assets is capitalized. Costs include all cost directly attributable to acquisition, construction, development or betterment of the tangible capital asset, including installing the asset at the location and in the condition necessary for its intended use. Cost incurred for maintenance and repairs are accounted for as expenses in the Statement of Operations and Accumulated Surplus. Assets under construction are not amortized until available for use. On an annual basis, the Corporation reassesses the useful life of their assets.

Amortization is calculated using the straight-line method, over the estimated useful lives of assets.

Social housing projects	40 - 50 years
Social and staff housing betterment	15 years
Staff housing projects and other facilities:	
Standard construction	40 - 50 years
Mobile home units	20 - 30 years
Office building	40 - 50 years
Other facilities	15 years
Furnishings and equipment	5 to 15 years
Vehicles	6 years
Computer systems	3 years
Leasehold improvements	remaining lease term

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide services. The write-downs are accounted for as expenses in the Statement of Operations and Accumulated Surplus.

**(f) Environmental liability**

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. The Corporation recognizes a provision for environmental clean-up when all of the following conditions are prevalent: an environmental standard exists; the level of contamination has been determined to exceed the environmental standard; the Corporation is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made at that time. A liability is recognized and the costs associated with the clean-up are expensed during the year when the Corporation is obligated to incur such costs. The estimate of a liability includes costs directly attributable to remediation activities. Costs would include post-remediation operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**2. Significant accounting policies (continued)**

**(g) Post-employment benefits**

Post-employment benefits are expected to be provided to employees of the Corporation after employment but before retirement. These benefits include severance benefits and accumulated sick and vacation leave benefits that are paid in cash when employment is terminated. The Corporation recognizes the obligation for these benefits as a liability and uses an actuary to estimate the amount of the obligation. Expenses related to post-employment benefits are recognized in the period in which the employee's service is rendered and the benefit is earned. The accrued benefit liability for these benefits is calculated as the accrued benefit obligation adjusted by unamortized actuarial gains or losses. Net actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the active employees commencing with the period following the determination of the net actuarial gains or losses.

**(h) Retirement benefits**

All eligible employees participate in the Public Service Pension Plan (the Plan) administered by the Government of Canada. The Corporation's contribution to the Plan reflects the full cost as employer. This amount is currently based on a multiple of the employees' required contributions, and may change over time depending on the experience of the Plan. The Corporation's contributions are expensed during the year in which the services are rendered and represent the total pension obligation of the Corporation. The Corporation is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan.

**(i) Revenue recognition**

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized as the stipulation liabilities are settled.

Interest income on mortgages is recognized using the effective interest method. When a mortgage becomes impaired, recognition of interest ceases; thereafter, interest income for impaired loans is recognized on a cash basis.

Revenues from transactions with performance obligations occur when there is an enforceable promise to transfer goods or services directly to a payor in return for promised consideration. These revenues are recognized when control of the benefits associated with the goods or services have transferred and there is no unfulfilled performance obligation. Where consideration is received from a payor prior to the provision of goods or services, these amounts are initially included in unearned revenue provided the definition of a liability is met. They are subsequently recognized as revenue as performance obligations are met. Rental and related client services income represent rent and fees charged to tenants, and consist of single performance obligations that are satisfied over time. These revenues are recognized when the services are provided in accordance with the terms of the rental agreements.



**2. Significant accounting policies (continued)**

**(i) Revenue recognition (continued)**

Transactions without performance obligations are either voluntary or involuntary. Revenue from involuntary transactions arise because the right to the economic resource is attributable to legislation based on constitutional authority or delegated constitutional authority. These revenues are recognized when the Corporation's economic resources increase without a direct transfer of goods or services to a payor.

**(j) Expenses**

Expenses are recorded on an accrual basis. Transfer payments are recorded as expenses when authorized and recipients have met eligibility criteria.

**(k) Asset retirement obligation**

A liability for an asset retirement obligation (ARO) is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Corporation to incur retirement costs, a past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. The discount rate used reflects the Corporation's cost of borrowing, associated with the estimated number of years to complete the retirement or remediation.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset and amortized over the asset's estimated useful life. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period. An asset retirement obligation may arise in connection with a tangible capital asset that is not recognized or no longer in productive use. In this case, the asset retirement cost would be expensed.

At each financial reporting date, the carrying amount of the liability is reviewed. The Corporation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. Once the related tangible capital asset is no longer in productive use, changes to the liability are recognized as an expense in the period they are incurred. The Corporation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. The Corporation reviews its estimates of asset retirement obligation annually.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**2. Significant accounting policies (continued)**

**(i) Measurement uncertainty**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, contractual obligations and contingencies. By their nature, these estimates are subject to measurement uncertainty. As adjustments to these estimates become necessary, they are recorded in the financial statements in the year they become known. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant; although, at the time of preparation of these statements, the Corporation believes the estimates and assumptions to be reasonable.

Significant management estimates include: valuation of mortgages and loans receivable, valuation of accounts receivable, determination of amortization of tangible capital assets, valuation of post-employment benefits, estimation of contractual obligations and contingencies, environmental liability and asset retirement obligation.

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized, and the expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the financial statements.

The estimation of the environmental liability is subject to a high degree of measurement uncertainty because the existence and extent of contamination, the responsibility for clean-up and the timing and cost of remediation cannot be reliably estimated in all circumstances. The degree of measurement uncertainty resulting from the estimation of the environmental liability cannot be reasonably determined. At the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable under the circumstances. However, the effect on the financial statements of changes to such estimates and assumptions in future periods could be significant.

The estimation of asset retirement obligation is subject to a high degree of uncertainty because the existence and extent of contamination, and the associated cost of remediation cannot be reliably estimated in all circumstances. The best estimate of an asset retirement obligation incorporates a present value technique when the cash flow required to settle or otherwise extinguish an asset retirement obligation is expected to occur over extended periods. The discount rate used reflects the Corporation's cost of borrowing associated with the estimated number of years to complete the retirement or remediation. At the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable under the circumstances. However, the effect on the financial statements of changes to such estimates and assumptions in future periods could be significant. Management reviews the carrying amount of the liability and discount rate used at each financial reporting date.





Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**2. Significant accounting policies (continued)**

(m) Related party transactions

The Corporation is related to all Government of Yukon departments, territorial corporations and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation. Significant transactions with related parties and balances at year-end are disclosed separately in the financial statements and notes thereto.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions are recorded on a gross basis and are measured at the carrying amount, except for the following: when inter-entity transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered, they are measured at the exchange amount.

Related party transactions other than inter-entity transactions are recorded at the exchange amount.

The Corporation receives certain services provided by the Government of Yukon without charge (Note 16(b)).

(n) Financial instruments

The Corporation's financial instruments include cash, accounts receivable, mortgages and loans receivable, accounts payable and accrued liabilities and long-term debt. The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

The following is a list of the Corporation's financial instruments and their related measurement basis as at March 31, 2024.

<b>Financial Assets</b>	<b>Measurement Basis</b>
Cash	Cost
Accounts receivable	Cost
Mortgages and loans receivable	Amortized cost
<b>Financial Liabilities</b>	
Accounts payable and accrued liabilities	Cost
Long-term debt	Amortized cost

As all financial instruments are measured at cost or amortized cost, there have been no remeasurement gains or losses. Therefore, the Statement of Remeasurement Gains and Losses has been excluded from these financial statements. Financial instruments measured at amortized cost use the effective interest method.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations and Accumulated Surplus.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**3. Adoption of new accounting standards**

(a) PS 3400 - Revenue

Effective April 1, 2023, the Corporation adopted Canadian Public Sector Accounting Standard PS 3400, Revenue ("PS 3400"). The Section sets out general guidance for how entities recognize, measure, present and disclose revenue. Under the new accounting standard, there are two categories of transactions – exchange and non-exchange. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is a non-exchange transaction. There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied. PS 3400 has been applied prospectively to these financial statements and, as permitted by the transitional provisions, prior periods were not restated. The implementation of this new Section did not have a material impact on the financial statements of the Corporation.

(b) PS 3160 - Public private partnerships

Effective April 1, 2023, the Corporation adopted Canadian Public Sector Accounting Standard PS 3160, Public Private Partnerships ("PS 3160"). The new accounting standard addresses the recognition, measurement, presentation, and disclosure of infrastructure procured by public sector entities through certain types of public private partnership arrangements. Management has assessed that there is no impact of adopting PS 3160 on the financial statements of the Corporation.

(c) PSG-8 - Purchased intangibles

Effective April 1, 2023, the Corporation adopted Public Sector Guideline PSG-8, Purchased Intangibles, applied on a prospective basis ("PSG-8"). PSG-8 defines purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. Intangibles acquired through a transfer, contribution, or inter-entity transaction, are not purchased intangibles. Management has assessed that there is no impact of adopting PSG-8 on the financial statements of the Corporation.

**4. Cash**

	2024	2023
	(thousands of dollars)	
Cash		
Bank balances	\$ 25,971	\$ 6,801
Cash on hand	3	3
	<u>\$ 25,974</u>	<u>\$ 6,804</u>

The Corporation has an overdraft facility with its bank of up to \$11,000,000 at bank prime less 0.85% (2023 - bank prime less 0.85%). At year end, the bank prime rate was 7.20% (2023 - 6.70%). The overdraft is guaranteed by the Government of Yukon.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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5. Accounts receivable

	2024	2023
	(thousands of dollars)	
Due from Canada Mortgage and Housing Corporation		
- National Housing Strategy Agreement	\$ 6,389	\$ -
- Social Housing Agreement	201	231
Receivable from tenants	887	971
Other receivables	549	419
Less: Valuation allowance for receivable from tenants	(708)	(863)
Less: Valuation allowance for other receivables	(174)	(67)
	<u>\$ 7,144</u>	<u>\$ 691</u>

Valuation allowances for tenants and other receivables are calculated based on amounts greater than 90 days which exclude amounts due from the Government of Yukon as there is an expectation of collection.

On August 14, 1998 the Corporation entered into an agreement with CMHC to access funding under the Social Housing Agreement (SHA). Under this 31 year agreement (1999/2000 to 2029/2030) CMHC agreed to contribute up to \$114,379,000 for the Corporation to assume full responsibility for the management of various public housing programs specified in the SHA. As at March 31, 2024 the amount receivable under the SHA is \$201,000 (2023 - \$231,000).

On April 1, 2018 the Corporation entered into an agreement with CMHC to access funding under the National Housing Strategy Agreement (NHS). Under this 10 year agreement (2019/2020 to 2027/2028) CMHC agreed to contribute up to \$28,269,700 (various amounts each year) for project commitments made by the Corporation to increase access to housing, reduce housing need and achieve better housing solutions across the spectrum. As at March 31, 2024 the amount receivable under the NHS is \$6,389,000 (2023 - \$0).





Yukon Housing Corporation  
Notes to the financial statements  
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6. Mortgages and loans receivable

	Stated interest rates %	2024 (thousands of dollars)	2023
Mortgages receivable			
Home Ownership	0.00 - 6.08	\$ 20,009	\$ 21,743
Loans with terms up to five years, secured by registered charges against real property, repayable in blended weekly, bi-weekly or monthly payments at fixed rates of interest and with maturities up to 2029.			
Owner Build	3.66 - 5.98	4,029	4,482
Loans are advanced during the construction phase of a home for a maximum period of two years with interest of 1% below posted average five year rate of major banks. Repayment terms are up to five years, commencing upon completion of construction, secured by registered charges against real property with maturities up to 2028.			
Developer Build	0.00	3,268	2,103
Loan is advanced during the land and infrastructure development or construction phase of a home. Repayment terms are up to four years, commencing on the loan agreement date, secured by registered charges against real property with maturity up to 2027.			
Repair and Upgrade	0.00 - 8.20	947	1,288
Loans with terms up to 12 years, secured by registered charges against real property or chattel mortgages, repayable in blended weekly, bi-weekly or monthly payments at fixed rates of interest with maturities up to 2029.			
Flood Relief Initiative	0.00	181	-
Unsecured loans on residential properties to cover the costs of restoring, repairing and replacing items damaged by flooding. Maturities up to 2036.			



Yukon Housing Corporation  
Notes to the financial statements  
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6. Mortgages and loans receivable (continued)

	Stated interest rates %	2024 (thousands of dollars)	2023 (thousands of dollars)
Housing Industry Loans	2.25 - 8.20	238	341
Loans with terms up to 25 years, secured by registered charges against real property or general security agreements, repayable in blended bi-weekly or monthly payments at fixed rates of interest with maturities up to 2028.			
Subtotal mortgages receivable		28,672	29,957
Less: Discount for loans receivable with concessionary terms*		(769)	(458)
Less: Allowance for impaired loans		(176)	(181)
Net mortgages receivable		27,727	29,318
Land sales agreements receivable	5.00	14	197
Unsecured loans on residential, commercial and recreational lots, repayable in blended annual payments at fixed rates of interest with maturities up to 2024.			
Total loans receivable		\$ 27,741	\$ 29,515

\*The total remaining principal \$4,604,000 (2023 - \$1,418,000) is for 12 loans (2023 - 11 loans).

These mortgages and loans receivable earn interest at the following weighted average rates:

	2024	2023
Mortgages receivable	3.48%	3.93%
Land sales agreements receivable	5.00%	5.00%



Yukon Housing Corporation  
Notes to the financial statements  
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**7. Environmental liability**

Changes in the environmental liability are as follows:

	2024	2023
	(thousands of dollars)	
Balance at beginning of year	\$ 579	\$ 184
Actual expenditures in current year relating to remediation	(185)	-
Revision of estimated remediation cost of existing sites	100	120
New sites assessed during fiscal year	260	275
Balance at end of year	<u>\$ 754</u>	<u>\$ 579</u>

Notable sites within the environmental liability include:

During the year, the Corporation removed some underground fuel tanks at its head office in Whitehorse and incurred remediation expenses for \$185,000. The Corporation is planning to carry out a delineation study to further assess the extent of a potential fuel spill. The projected cost of the study is \$150,000 (2023: \$70,000). The extent of the contamination, if any, is unknown, therefore no additional amount has been recorded for future expenditures associated with a potential spill.

After year-end, the Corporation identified potentially contaminated soil at a construction site in Dawson City. The projected cost associated with confirming the existence and determining the extent of the contamination is estimated to be \$260,000. The extent of the contamination, if any, is unknown, therefore no additional amount has been recorded for future expenditures associated with the remediation of potentially contaminated soil.

In fall 2010, it was confirmed that approximately 20,000 liters of fuel oil spilled under two properties of the Corporation in Dawson City. The remediation plan and projected future costs were prepared by independent consultants, and the remediation started in the summer of 2011. Remediation has been completed and future expenditures of \$96,000 (2023 - \$96,000) at year end are for ongoing water and soil monitoring.

In the summer of 2015, a split fuel line occurred under a house in Dawson City. Approximately 800 liters of fuel leaked from the oil storage tank. The projected future expenditures at year end associated with this spill are estimated at \$100,000 (2023 - \$100,000).

Projected future expenditures at year end for site monitoring of \$108,000 (2023 - \$108,000) are for ongoing ground water and soils monitoring for remediated oil spill sites in Old Crow and Watson Lake (2023 - Old Crow and Watson Lake).

During the year, the Corporation contracted an independent consultant to prepare a report on environmental liabilities for a projected cost of \$40,000.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

8. Deferred revenue

	2024	2023
	(thousands of dollars)	
Canada Mortgage and Housing Corporation (CMHC) funding		
- Northern Carve Out	\$ 17,798	\$ -
- Rapid Housing Initiative #3	5,000	-
- National Housing Strategy	2,404	2,294
- Yukon First Nations - Multi-unit Residential Building Workshop	114	127
- Investment in Affordable Housing	28	275
Unearned rent	349	297
	<u>\$ 25,693</u>	<u>\$ 2,993</u>

Northern Carve Out pertains to funds received from CMHC for the construction of at least 79 net new housing units. The Corporation expects that the stipulations of the agreement will be met on or before the project substantial completion date, in fiscal year 2028.

Rapid Housing Initiative #3 pertains to funds received from CMHC for the development of affordable multi-residential housing units. The Corporation expects that the stipulations of the agreement will be met on or before the project completion date, in fiscal year 2026.

National Housing Strategy pertains to funds received under the multi-year National Housing Strategy Agreement (Note

Unearned rent relates to prepayments made by tenants for future months.



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9. Long-term debt

	Stated interest rates %	2024 (thousands of dollars)	2023 (thousands of dollars)
Mortgages payable to CMHC (guaranteed by the Government of Yukon) Loan repayable in blended monthly payment at a fixed rate of interest and with maturity in 2028, secured by fixed charge against a housing project with net book value of \$527,000 (2023 - \$1,819,000)	5.00	\$ 251	\$ 379
Loans payable to CMHC (guaranteed by the Government of Yukon) Unsecured loans repayable in blended periodic installments at fixed rates of interest to maturity and with maturities up to 2028.	7.50 - 9.50	293	412
Loans payable to the Government of Yukon Repayable without interest in periodic instalments to 2027.	0.00	8,400	8,650
Land sales agreements due to the Government of Yukon, unsecured Repayable without interest in periodic instalments to 2025.	0.00	14	197
Total long-term debt		<u>\$ 8,958</u>	<u>\$ 9,638</u>

The mortgages and loans payable bear interest at the following weighted average interest rates:

	2024	2023
Mortgages payable to CMHC	5.00%	2.73%
Loans payable to CMHC	7.98%	7.93%

Principal repayments required over the next five years are as follows:

	Mortgages Payable	Loans Payable CMHC	Government of Yukon	Land Sales Agreements	Total
	(thousands of dollars)				
2025	\$ 52	\$ 128	250	\$ 14	\$ 444
2026	55	139	5,150	-	5,344
2027	58	11	3,000	-	3,069
2028	60	12	-	-	72
2029	26	3	-	-	29
Thereafter	-	-	-	-	-
Total	<u>\$ 251</u>	<u>\$ 293</u>	<u>\$ 8,400</u>	<u>\$ 14</u>	<u>\$ 8,958</u>



Yukon Housing Corporation  
Notes to the financial statements  
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# 10. Post-employment benefits

The Corporation provides post-employment benefits to its employees based on years of service and salary. These benefits consist of severance benefits and unused sick and vacation leave.

The actuarial obligation for sick and vacation leave and severance benefits is calculated using the projected benefit method prorated on service. Post-employment benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Benefits will be paid from future appropriations or other sources of revenue.

The results measured at March 31 are summarized as follows:

	2024	2023
	(thousands of dollars)	
Accrued benefit liability, beginning of year	\$ 2,497	\$ 2,509
Payment to Government departments for staff transfers	(421)	(18)
Add: Post-employment benefits expenses		
Current service costs	187	208
Interest on accrued benefit liability	95	92
Amortization of net actuarial (gains) losses	(61)	(17)
Less: Benefits paid during the year	(67)	(277)
Accrued benefit liability, end of year	2,230	2,497
Unamortized net actuarial gain	(659)	(613)
Accrued benefit obligation, end of year	<u>\$ 1,571</u>	<u>\$ 1,884</u>

The significant actuarial assumptions were:

	2024	2023
Discount rate	4.90%	4.80%
Inflation	2.00%	2.00%
Expected average remaining service life of active employees	11.8 years	11.8 years

Seniority and Promotional Salary Increases - based on the annual rates from the Public Service Pension Plan

March 31, 2020 valuation report

The most recent actuarial valuation made for these post-employment benefits was extrapolated to March 31, 2024 based on census data at December 31, 2022. The next required valuation with updated census would be as of March

Included in the total accrued benefit obligation at March 31, 2024 are vacation leave of \$445,000 (2023 - \$662,000) and accumulated sick leave of \$305,000 (2023 - \$390,000).

The post-employment benefit expense for the financial year is \$221,000 (2023 - expense \$265,000).



Yukon Housing Corporation  
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# 11. Retirement benefits

Substantially all of the employees of the Corporation are covered by the Public Service Pension Plan (the Plan), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution effective at year end was \$1.02 (2023 - \$1.02) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,200 (2023 - \$196,200). For new employees who are participating in the Plan on or after January 1, 2013, the Corporation contributes \$1.00 (2023 - \$1.00) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,200 (2023 - \$196,200).

Contributions during the year were as follows:

	2024	2023
	(thousands of dollars)	
Employer's contribution	\$ 717	\$ 583
Employees' contribution	713	581

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada Pension Plan benefits and they are indexed to inflation.

# 12. Advances - Government of Yukon

Advances from the Government of Yukon represent a series of working capital advances by the Government of Yukon to the Corporation. These advances are repayable on demand and without interest.

	2024	2023
	(thousands of dollars)	
Balance at beginning of year	\$ 17,523	\$ 23,001
Cash advanced during the year	31,079	15,085
Settlement of Low Carbon Economy Fund	-	(1,679)
Operations and maintenance transfer payment	(9,391)	(8,116)
Capital transfer payment	(21,212)	(10,768)
	476	(5,478)
Balance at end of year	\$ 17,999	\$ 17,523

From time to time, the Corporation repays in substance by requesting less cash than what was approved in the operating and capital transfer payments from the Government of Yukon. As a result, this repayment and the corresponding portion of these transfer payments are non-cash transactions. During the year, the Corporation did not repay in substance any amount (2023 - \$3,799,000).

During the year, the Corporation had no reduction (2023 - \$1,679,000) in the advances from the Government by the way of a non-cash settlement of 2021-22 Low Carbon Economy Fund.





Yukon Housing Corporation  
Notes to the financial statements  
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**13. Tangible capital assets**

			2024	2023
			(thousands of dollars)	(thousands of dollars)
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 5,189	\$ -	\$ 5,189	\$ 5,189
Social housing	161,971	58,533	103,438	98,793
Staff housing	23,389	15,966	7,423	8,180
Office building	2,103	1,787	316	374
Other facilities	629	556	73	1
Furnishings and equipment	4,307	2,413	1,894	2,217
Computer systems	295	295	-	-
(Schedule B)	<u>\$ 197,883</u>	<u>\$ 79,550</u>	<u>\$ 118,333</u>	<u>\$ 114,754</u>

At March 31, 2024, there were construction projects in progress in the amount of \$8,350,000 (2023 - \$3,746,000). There was no interest incurred for the construction of tangible capital assets in the current year or previous year.

Included in the cost of land are 4 vacant lots with a carrying value of \$1,000.

In 2021-22, the Corporation took ownership of building including land from Options for Independence Society of Yukon (OFI) in exchange of discharging a mortgage owed to the Corporation. The Government of Yukon is using the space to provide housing with supports and programming for people with Fetal Alcohol Spectrum Disorder. As part of an arrangement with Government of Yukon, the Corporation does not charge rent but instead charges Health & Social Services for operation and maintenance costs.

In 2021-22, the Corporation received a contribution of land from the Municipality of Watson Lake appraised at \$75,000. The Corporation recorded revenue of \$75,000 which was included in prior year Other revenues. The Corporation began construction of a new housing complex to support housing needs in the community in the spring of 2023 with an anticipated completion date in fiscal year 2025 at an estimated cost of \$13,100,000.

**14. Rental and related client services income**

	2024	2023
	(thousands of dollars)	(thousands of dollars)
Rental income	\$ 8,003	\$ 7,533
Related client services income	523	300
	<u>\$ 8,526</u>	<u>\$ 7,833</u>





Yukon Housing Corporation  
Notes to the financial statements  
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**15. Expenses by object**

	2024	2023
	(thousands of dollars)	
Transfer payments (Grants/Program advances)	\$ 15,111	\$ 6,551
Repairs and maintenance	10,445	8,324
Materials, supplies and services	6,149	6,127
Personnel, training and post-employment benefits	9,532	8,210
Amortization	4,810	4,563
Accretion expense	299	256
Other	2,477	2,537
Communication and transportation	425	359
Interest on long-term debt	38	50
	<u>\$ 49,286</u>	<u>\$ 36,977</u>

**16. Related party transactions and balances**

In addition to those related party transactions disclosed elsewhere in these financial statements (Notes 9, 12 and 13), the Corporation enters into transactions with related entities in the normal course of business.

(a) Due from (to) the Government of Yukon

	2024	2023
	(thousands of dollars)	
Accounts payable	\$ (1,956)	\$ (946)
Accounts receivable	103	191
Amount due re: Canada - Yukon Low Carbon Economy Fund	2,753	2,036
Net amount due from the Government of Yukon	<u>\$ 900</u>	<u>\$ 1,281</u>

(b) Other transactions

The Government of Yukon provides life insurance and medical benefits to the Corporation's retired personnel, which are provided without charge and not recorded in the financial statements.

The value of administrative services provided by the Government of Yukon to the Corporation is estimated in 2024 to be \$45,000 (2023 - \$33,000). The value of territorial agent services provided by the Corporation to the Government of Yukon for 2024 is estimated to be \$172,000 (2023 - \$193,000). These services are provided without charge and not recorded in the financial statements.



**Yukon Housing Corporation**  
**Notes to the financial statements**  
**for the year ended March 31, 2024**

**16. Related party transactions and balances (continued)**

The employees of the Corporation are paid by the Government of Yukon. The Corporation reimbursed the Government for personnel expenses (Note 15 and Schedule A) paid of \$10,171,000 during 2024 (2023 - \$8,063,000) which are recorded at the exchange amount.

In 2008, the Corporation entered into an agreement with the Government of Yukon for the use of a 48 unit seniors' social housing constructed as part of the Athletes' Village in Whitehorse. The Corporation is responsible for the operation and maintenance of the facility. The value of services provided without charge, relating to the use of this building by the Corporation, is estimated in 2024 to be \$502,000 (2023 - \$502,000) based on the Government of Yukon's amortization expense.

During 2024, the Corporation was charged \$667,000 (2023 - \$651,000) by the Government of Yukon for information technology support services, office rental, office supplies, computer software licensing, vehicle rental services and other upgrades. These charges are recorded at the exchange amount.

**17. Contractual obligations and contingencies**

	2025	2026	2027	2028 and subsequent years
	(thousands of dollars)			
Outstanding contractual obligations to complete the funding of mortgages receivable at end of year	\$ 2,019	\$ -	\$ -	\$ -
Outstanding contractual obligations to complete agreements and contract commitments at end of year	\$ 15,564	1,026	892	17,210
Annual subsidies to private social housing organizations	375	375	375	
	<u>\$ 17,958</u>	<u>1,401</u>	<u>1,267</u>	<u>17,210</u>

The outstanding contractual obligations include \$19,805,000 for the lease of 16 units in a senior supportive living facility in Whitehorse. The lease started in July 2023 and expires in June 2043. Key assumptions used in estimating the amount of the contractual obligation include inflation rate (2024 - 2%) and occupancy rate (2024 - 100%).

In the normal course of operations, the Corporation is subject to legal claims and possible claims. While the outcome of legal claims or possible claims is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually or in the aggregate, the probable ultimate resolution of all legal claims and possible claims will not have a material financial impact on the Corporation's financial position, results of its operations or its cash flows.

Pursuant to an agreement signed with CMHC in 1998, the Corporation is liable for a mortgage payable by the Whitehorse Housing Co-operative Association Limited (the Co-operative) in the event of a default. The mortgage matures on July 1, 2025 and the amount payable as at March 31, 2024 was \$181,000 (2023 - \$220,000). Management believes that the Corporation would be able to repay the mortgage in full through the sale of the Co-operative's assets which are made up of twelve single family dwellings (against which the mortgage is made) in the event of a default.



**Yukon Housing Corporation**  
**Notes to the financial statements**  
**for the year ended March 31, 2024**

**17. Contractual obligations and contingencies (continued)**

In 2022, the Corporation acted as an agent when it received \$5,000,000 from CMHC. If Safe At Home Society is unable to operate and maintain these housing units for 20 years, the Corporation, in consultation with CMHC, would need to determine an appropriate course of action to ensure the Corporation's adherence to any potential obligation arising from this flow through arrangement.

**18. Contractual rights**

The Corporation has contractual rights for the following payments subsequent to March 31, 2024:

	Expiry Date	2024-25	2026-2031	Total
		(thousands of dollars)		
CMHC Social Housing Agreement	2030	\$ 2,754	\$ 5,276	\$ 8,030
CMHC Bilateral Agreement				
CMHC Northern Housing	2028	2,400	7,200	9,600
CMHC Canada Community Housing	2028	1,126	7,805	8,931
CMHC Yukon Priorities Housing	2027	827	1,194	2,021
CMHC Canada Housing Benefit	2028	1,241	4,153	5,394
		<u>\$ 8,348</u>	<u>\$ 25,628</u>	<u>\$ 33,976</u>

**19. Bad debts write-offs**

Section 14(4) of the Financial Administration Act of Yukon requires accounts written off during the fiscal year to be reported in the Public Accounts of Yukon. Bad debts written off during the current year and past four years are as follows:

Year	Amount
2024	\$ 207,334
2023	35,527
2022	190,534
2021	-
2020	-



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**20. Prepaid expenses**

	2024	2023
	(thousands of dollars)	
Prepaid Expense		
Prepaid Lease	\$ 3,267	\$ 3,442
Other	296	202
	<u>\$ 3,563</u>	<u>\$ 3,644</u>

During the year ended March 31, 2023, the Corporation prepaid \$3,500,000 to lease 10 units for the next twenty years in the Normandy Manor development project. The lease started in December 2022, when the building construction was completed, and expires in November 2042.

**21. Asset retirement obligation**

The Corporation owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. The asset retirement obligation accretion expense will be incurred over the estimated number of years to complete the retirement or remediation. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. Estimated undiscounted costs of \$14,263,000 (2023 - \$14,202,000) have been discounted to present value using a discount rate of 4.5% (2023 - 3%) per annum.

Changes to the asset retirement obligation in the year are as follows:

	2024	2023
	(thousands of dollars)	
Opening balance	\$ 9,962	\$ 10,410
Accretion expense	299	256
Liabilities settled	(302)	(149)
Change in estimate	(967)	(555)
Closing balance	<u>\$ 8,992</u>	<u>\$ 9,962</u>



**Yukon Housing Corporation**  
**Notes to the financial statements**  
**for the year ended March 31, 2024**

**22. Financial instruments**

The Corporation has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. The following analysis provides a measurement of those risks as at March 31, 2024.

**a) Credit Risk**

Credit risk is the risk of a financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks mainly arise from certain financial assets held by the Corporation consisting of cash, accounts receivable, due from the Government of Yukon, and mortgages and loans receivable.

**Cash**

The Corporation's exposure to credit risk associated with cash is assessed as low because the Corporation's cash deposits are held by a reputable Canadian Chartered bank.

**Accounts receivable and Due from the Government of Yukon**

The Corporation's exposure to credit risk associated with accounts receivable particularly due from CMHC, Government of Yukon and other receivables is considered low as these receivables are due from federal, territorial and First Nation governments. The Corporation is also exposed to credit risk through CMHC indemnifications as in the event of a loan or contribution default, the Corporation is required to rectify the default or fully reimburse CMHC for approved and paid claims. The Corporation mitigates this risk by continuing operation and assuming the loan/contribution obligation.

The Corporation's exposure to credit risk associated with accounts receivable from tenants is assessed as high due to the transient nature of clients. The Corporation mitigates this risk by keeping records of outstanding accounts where a returning client with outstanding account has to settle the amount owed to the Corporation before they are allowed to receive housing benefits.

Allowance for doubtful accounts are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Statement of Financial Position are net of these allowances for doubtful accounts. All accounts are considered for impairment based on the type of client revenue and historical repayment information.

The maximum exposure to credit risk for due from Government of Yukon and accounts receivables by type of customer is as follows:

	2024	2023
	(thousands of dollars)	(thousands of dollars)
<u>Due from the Government of Yukon (Note 16(a))</u>	<u>\$ 900</u>	<u>\$ 1,281</u>
Due from Canada Mortgage and Housing Corporation (Note 5)	6,590	231
Receivable from tenants (Note 5)	179	108
Other receivables (Note 5)	375	352
<u>Accounts Receivable</u>	<u>\$ 7,144</u>	<u>\$ 691</u>



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**22. Financial instruments (continued)**

The Corporation's receivable has a carrying value of \$7,144,000 as at March 31, 2024 (2023 - \$691,000). As at March 31, 2024, approximately 1% (2023 - 65%) were over 90 days past due, whereas 97% (2023 - 32%) were current or less than 30 days past due.

**Mortgages and loans receivable**

The Corporation's exposure to credit risk associated with mortgages and loans receivable is considered low because these receivables are primarily secured by property, and other security instruments. Additionally, the amounts due from clients can be recovered through court imposed repossession of property.

The Corporation has a carrying value of \$27,741,000 as at March 31, 2024 (2023 - \$29,515,000). As at March 31, 2024, approximately 95% (2023 - 95%) were current or less than 30 days past due, whereas 3% (2023 - 2%) were over 90 days past due.

Allowance for impaired loans are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Statement of Financial Position are net of these allowances for impaired loans. All accounts are considered for impairment based on the date of last payment and historical repayment information.

**b) Liquidity Risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation's objective is to have sufficient liquidity to meet these liabilities when due. The Corporation monitors its cash balance and cash flows generated from operations to meet its liquidity requirements. To further manage its liquidity risk, the Corporation has a borrowing limit of up to \$11,000,000. Further financing can be obtained through transfers from the Government of Yukon to mitigate this risk and also, the Corporation has the option to sell from its housing portfolio.

The liquidity risk arises from the financial liabilities consisting of accounts payable and accrued liabilities and long-term debt. The Corporation's accounts payable and accrued liabilities had a carrying value of \$7,770,000 (2023 - \$7,033,000). As at March 31, 2024, approximately 98% (2023 - 97%) of accounts payable were current or less than 30 days past due.

The Corporation's long-term debt has remaining undiscounted contractual cash flows of \$9,005,000 (2023 - \$9,638,000). The amount of principal to be repaid next fiscal year is \$444,000.

**c) Market Risk**

**Currency risk**

Currency risk is the risk that the value of financial assets and liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates. The Corporation is not exposed to any significant interest rate risk because instruments are held in domestic currency.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Corporation is not exposed to any significant interest rate risk.

Long-term debt has interest rates fixed for long periods of time with the debt intended to be repaid in accordance with corresponding agreed to schedules. Impact of 1% increase in interest rates would add \$5,000 to the Corporation's deficit while a 1% decrease in interest rates would add \$5,000 to the Corporation's surplus.



Yukon Housing Corporation  
Notes to the financial statements  
for the year ended March 31, 2024

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**23. Comparative Figures**

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



Yukon Housing Corporation

Schedule of Program Costs, Corporate Services Costs and Administration Expenses  
for the year ended March 31, 2024

Schedule A

	2024	2023
	(thousands of dollars)	
<b>Social and staff housing operations</b>		
Personnel	\$ 4,948	\$ 4,289
General maintenance	10,004	8,435
Utilities	3,714	3,764
Property taxes	1,337	1,264
Building services - in-kind (Note 16(b))	502	502
Bad debts - tenant receivable	152	(125)
Housing program administration	172	200
Accretion expense	299	256
Interest on long-term debt	38	50
Asset retirement obligation revision	(573)	-
Write-down of / loss (gain) on disposal of tangible capital assets	75	56
	<u>\$ 20,668</u>	<u>\$ 18,691</u>
<b>Lending and grant programs</b>		
Affordable housing contributions	\$ 14,172	\$ 5,780
Personnel	583	527
Community partnering contributions	415	377
Program materials	1	1
	<u>\$ 15,171</u>	<u>\$ 6,685</u>
<b>Corporate services</b>		
Personnel	\$ 2,656	\$ 2,257
Information technology systems and support	468	359
Professional fees	397	121
	<u>\$ 3,521</u>	<u>\$ 2,737</u>
<b>Administration</b>		
Personnel, training and post-employment benefits	\$ 1,345	\$ 1,137
Communications	181	177
Travel and transportation	244	182
Professional fees	35	62
Office space	168	204
Rentals - office and equipment	111	111
Office and sundry	155	124
Boards and committees	66	81
Program promotion	100	108
	<u>\$ 2,405</u>	<u>\$ 2,186</u>





Yukon Housing Corporation  
Schedule of Tangible Capital Assets  
for the year ended March 31, 2024

Schedule B

	Land	Social Housing	Staff Housing	Office Building	Other Facilities	Furnishings and Equipment	Computer Systems	2024 Total	2023 Total
	(thousands of dollars)								
Cost of tangible capital assets at beginning of year <sup>1</sup>	5,189	154,586	23,566	2,118	557	4,349	295	190,660	184,462
Acquisitions <sup>1</sup>	-	8,858	-	-	-	-	-	8,858	6,885
Change in ARO estimate	-	(274)	(177)	(15)	72	-	-	(394)	(555)
Write-downs	-	(54)	-	-	-	(21)	-	(75)	(56)
Disposals	-	(1,145)	-	-	-	(21)	-	(1,166)	(76)
Cost of tangible capital assets at end of year <sup>1</sup>	5,189	161,971	23,389	2,103	629	4,307	295	197,883	190,660
Accumulated amortization at beginning of year	-	55,793	15,386	1,744	556	2,132	295	75,906	71,419
Amortization	-	3,885	580	43	-	302	-	4,810	4,563
Disposals	-	(1,145)	-	-	-	(21)	-	(1,166)	(76)
Accumulated amortization at end of	-	58,533	15,966	1,787	556	2,413	295	79,550	75,906
Net book value <sup>1</sup>	<b>\$ 5,189</b>	<b>\$ 103,438</b>	<b>\$ 7,423</b>	<b>\$ 316</b>	<b>\$ 73</b>	<b>\$ 1,894</b>	<b>\$ -</b>	<b>\$ 118,333</b>	<b>\$ 114,754</b>
Construction in progress	\$ -	\$ 8,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,350	\$ 3,746

<sup>1</sup> Includes construction in progress

YUKON LIQUOR CORPORATION  
FINANCIAL STATEMENTS  
March 31, 2024  
(audited)

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The management of the Yukon Liquor Corporation is responsible for establishing and maintaining a system of books, records, internal controls and management practices designed to provide reasonable assurance that reliable financial information is produced; the assets of the Corporation are safeguarded and controlled; the transactions of the Corporation are in accordance with the relevant legislation, regulations and by-laws of the Corporation; the resources of the Corporation are managed efficiently and economically; and the operations of the Corporation are carried out effectively.

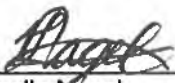
Management is also responsible for the integrity and objectivity of the financial statements of the Corporation contained in this annual report. The financial statements are prepared in accordance with International Financial Reporting Standards, and include amounts based on management's best estimates as determined through experience and judgement. Other financial information included in the annual report is consistent with these financial statements.

These financial statements have been independently audited by the Corporation's external auditor, the Auditor General of Canada, and the audit report is included in this report.



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Dennis Berry  
President



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Luzelle Nagel  
Chief Financial Officer

July 10, 2024



## INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Yukon Liquor Corporation

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Yukon Liquor Corporation (the Corporation), which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 March 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### *Basis for Opinion*

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

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be

materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

## **Report on Compliance with Specified Authorities**

### *Opinion*

In conjunction with the audit of the financial statements, we have audited transactions of the Yukon Liquor Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Financial Administration Act* of Yukon and regulations, the *Liquor Act* and regulations, the *Liquor Tax Act* and regulations, the *Cannabis Control and Regulation Act* and regulations, and the by-laws of the Yukon Liquor Corporation.

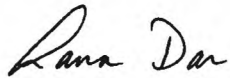
In our opinion, the transactions of the Yukon Liquor Corporation that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Liquor Act*, we report that, in our opinion, the accounting principles in IFRSs have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by the Yukon Liquor Corporation and the financial statements are in agreement therewith.

### *Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the Yukon Liquor Corporation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Yukon Liquor Corporation to comply with the specified authorities.

*Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read "Lana Dar". The signature is fluid and cursive, with the first name "Lana" and the last name "Dar" clearly distinguishable.

Lana Dar, CPA, CA  
Principal  
for the Auditor General of Canada

Vancouver, Canada  
10 July 2024




**YUKON LIQUOR CORPORATION**  
**Statement of Financial Position**  
**As at March 31**  
(Tabular amounts in thousands of Canadian dollars)

	2024	2023 (Note 19)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 2,217	\$ 1,933
Accounts receivable	41	61
Inventories (Note 5)	4,622	4,978
Prepaid expenses	1	41
	<u>6,881</u>	<u>7,013</u>
Property and equipment (Note 6)	1,616	1,569
Intangible assets (Note 7)	77	77
Right-of-use assets (Note 17)	289	612
	<u>289</u>	<u>612</u>
<b>TOTAL ASSETS</b>	<b>\$ 8,863</b>	<b>\$ 9,271</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 1,841	\$ 2,501
Deferred revenue	103	106
Due to the Government of Yukon (Notes 9, 13)	2,537	1,952
Current portion of lease liabilities (Note 17)	276	323
Current portion of non-pension benefit liability (Note 10)	208	273
Deferred government grant	47	66
	<u>5,012</u>	<u>5,221</u>
Non-pension benefit liability (Note 10)	1,640	1,610
Lease liabilities (Note 17)	22	299
	<u>22</u>	<u>299</u>
<b>TOTAL LIABILITIES</b>	<b>6,674</b>	<b>7,130</b>
<b>Equity (Note 12)</b>	<u>2,189</u>	<u>2,141</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 8,863</b>	<b>\$ 9,271</b>

Commitments (Note 18)

**APPROVED FOR ISSUE ON July 10, 2024**

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Chief Financial Officer

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

**YUKON LIQUOR CORPORATION**  
**Statement of Comprehensive Income**  
**For the year ended March 31**  
(Tabular amounts in thousands of Canadian dollars)

	2024	2023 (Note 19)
Revenue (Note 14)	\$ 53,676	\$ 50,338
Cost of goods sold (Note 15)	<u>33,658</u>	<u>30,747</u>
<b>GROSS PROFIT</b>	<b><u>20,018</u></b>	<b><u>19,591</u></b>
<b>OTHER INCOME</b>		
Miscellaneous	288	125
Fees, permits and licenses	148	73
Recoveries from related parties (Note 13)	143	-
Government grant	<u>19</u>	<u>30</u>
	<b><u>598</u></b>	<b><u>228</u></b>
<b>EXPENSES</b>		
Salaries, wages and benefits	8,606	8,482
Rent, utilities and maintenance	1,011	976
Bank charges and interest	711	604
Other operating expenses (Note 16)	652	760
Professional services	651	659
Depreciation of right-of-use assets	323	308
Depreciation of property and equipment	196	250
Amortization of intangible assets	33	39
Loss on disposal of property and equipment	21	-
Interest on lease liabilities	<u>15</u>	<u>21</u>
	<b><u>12,219</u></b>	<b><u>12,099</u></b>
<b>INCOME FROM OPERATIONS</b>	<b><u>8,397</u></b>	<b><u>7,720</u></b>
<b>OTHER COMPREHENSIVE INCOME, NOT TO BE RECLASSIFIED SUBSEQUENTLY TO NET INCOME</b>		
Actuarial gain (Note 10)	<u>84</u>	<u>267</u>
<b>COMPREHENSIVE INCOME</b>	<b><u>\$ 8,481</u></b>	<b><u>\$ 7,987</u></b>

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

**YUKON LIQUOR CORPORATION**  
**Statement of Changes in Equity**  
**For the year ended March 31**  
(Tabular amounts in thousands of Canadian dollars)

	2024	2023
<b>EQUITY - BEGINNING OF YEAR</b>	<b>\$ 2,141</b>	<b>\$ 2,196</b>
Income from operations before other comprehensive income	8,397	7,720
Other comprehensive income	84	267
Profit to be remitted to the Government of Yukon ( <i>Note 12</i> )	<u>(8,433)</u>	<u>(8,042)</u>
<b>EQUITY - END OF YEAR</b>	<b><u>\$ 2,189</u></b>	<b><u>\$ 2,141</u></b>

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

**YUKON LIQUOR CORPORATION**  
**Statement of Cash Flows**  
**For the year ended March 31**  
(Tabular amounts in thousands of Canadian dollars)

	2024	2023 (Note 19)
<b>OPERATING ACTIVITIES</b>		
Income from operations	\$ 8,397	\$ 7,720
Items not affecting cash:		
Depreciation of property and equipment	196	250
Depreciation of right-of-use assets	323	308
Amortization of intangible assets	33	39
Loss on disposal of property and equipment	21	-
	<u>8,970</u>	<u>8,317</u>
Changes in non-cash working capital:		
Accounts receivables, inventories and prepaid expenses	416	(733)
Accounts payables and other current liabilities	(425)	711
Non-pension benefit liability	30	76
	<u>21</u>	<u>54</u>
Cash flow from operating activities	<u><b>8,991</b></u>	<u><b>8,371</b></u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(215)	(193)
Purchase of intangible assets	(33)	(33)
Cash flow used by investing activities	<u><b>(248)</b></u>	<u><b>(226)</b></u>
<b>FINANCING ACTIVITIES</b>		
Cannabis fund profit remitted to the Government of Yukon (Note 13)	(416)	(504)
Liquor fund profit remitted to the Government of Yukon (Note 13)	(7,719)	(7,733)
Principal payments of lease liabilities	(324)	(318)
Cash flow used by financing activities	<u><b>(8,459)</b></u>	<u><b>(8,555)</b></u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u><b>284</b></u>	<u><b>(410)</b></u>
Cash - beginning of year	<u>1,933</u>	<u>2,343</u>
<b>CASH - END OF YEAR*</b>	<u><b>\$ 2,217</b></u>	<u><b>\$ 1,933</b></u>
<b>SUPPLEMENTARY INFORMATION</b>		
Interest received	<u>\$ 234</u>	<u>\$ 117</u>
Interest paid	<u>\$ 15</u>	<u>\$ 21</u>

\*Cash, end of year is comprised of bank account balances maintained for liquor and for cannabis operations with end of year balances (in thousands of Canadian dollars) of \$1,765 (2023 - \$1,441) and \$452 (2023 - \$492) respectively.

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

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

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### 1. Authority and operations

Yukon Liquor Corporation (the Corporation) was established in 1977 under the *Liquor Act* by the Government of Yukon in Canada. The Corporation is a government entity and is significantly influenced by the Government of Yukon. As a government entity, the Corporation is exempt from income taxes under Section 149(1)(d) of the Canadian *Income Tax Act*.

The Corporation's registered office is 9031 Quartz Road, Whitehorse, Yukon, Canada Y1A 4P9.

#### *Liquor Fund*

The Corporation is responsible for the purchase, distribution and sale of liquor within Yukon, controlling the sale of liquor through licensed outlets and enforcing all matters related to the *Liquor Act*. The Corporation operates a central warehouse and distribution centre in Whitehorse and six liquor stores. The rural liquor stores also provide specific government services on behalf of the Government of Yukon (Note 13).

In accordance with the *Liquor Act*, the profit from liquor operations for the year, before depreciation and amortization, less amounts expended on capital (Note 12), is remitted to the Government of Yukon on a monthly basis.

The Corporation is required by the *Liquor Tax Act* to collect liquor taxes on behalf of the Government of Yukon and to remit these taxes on a monthly basis. The current rate is 12% (2023 - 12%) and is applied to selling prices of all liquor products.

In accordance with the provisions of the Beverage Container Regulations under the *Environment Act*, the Corporation collects various beverage container deposits and recycling surcharges on the sale of its products. These amounts are remitted to the Government of Yukon on a monthly basis.

#### *Cannabis Fund*

The Corporation is responsible for the purchase, distribution and sale of cannabis within Yukon through licensees. The *Cannabis Control and Regulation Act* received assent on April 24, 2018 and governs the distribution, retail, consumption, personal cultivation and possession of non-medical cannabis in Yukon. Through Order-in-Council 2018/107, the Corporation is designated as the distributor corporation, to act as the principal supplier of cannabis for sale in Yukon.

In accordance with the *Cannabis Control and Regulation Act*, the profit from cannabis operations for the year, before depreciation and amortization, less amounts expended on property and equipment, and on intangible assets, is remitted to the Government of Yukon on a monthly basis.

### 2. Basis of presentation

These financial statements have been prepared on a historical cost basis, except where otherwise indicated in the notes below, in accordance with International Financial Reporting Standards (IFRSs). The statements are presented in Canadian dollars and are rounded to the nearest thousand (\$000) where indicated.

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

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### 3. Material accounting policy information

The material accounting policies summarized below have been applied to all periods presented in these financial statements.

#### Use of estimates

The preparation of financial statements in accordance with IFRSs requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are used when accounting for matters such as depreciation based on management's estimate of the useful lives of property and equipment, and the non-pension benefit liability based on the actuarial valuation. Actual results could differ materially from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

#### Financial instruments

##### *Financial assets*

The Corporation's financial assets include cash and accounts receivable and are initially measured at fair value.

After initial recognition, cash is measured at amortized cost and accounts receivable are measured at amortized cost using the effective interest method, less a provision for impairment when applicable. Accounts receivable are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. For accounts receivable, the Corporation applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables. The accounts receivable carrying amount is reduced through the use of an allowance account and the loss is recognized in the statement of comprehensive income.

A financial asset is derecognized when the contractual rights to the cash flows from the asset have expired, or when the asset and all substantial risks and rewards are transferred.

##### *Financial liabilities*

The Corporation's financial liabilities include accounts payable and accrued liabilities, and due to the Government of Yukon and are initially measured at fair value.

After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. A financial liability is derecognized when the obligation is discharged, cancelled, or expires.

The Corporation's financial liabilities includes lease liabilities.

#### Inventories

Inventories are comprised of alcoholic beverages and cannabis for resale and are valued at the lower of cost and net realizable value. Inventory costs are determined on a first-in, first-out basis. Cost is comprised of supplier-invoiced value and freight. Net realizable value represents the estimated selling price for inventories less the cost to sell.

(continues)

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

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(Tabular amounts in thousands of Canadian dollars)

### 3. Material accounting policy information (*continued*)

#### Property and equipment

Property and equipment are measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis and is based on the estimated useful lives of the assets as follows:

Land	Indefinite
Buildings	50 years
Leasehold improvements	5 years
Furniture and office equipment	5 years
Operating equipment	7 years
Heavy equipment	15 years
Systems equipment	5 years

The assets' residual values, estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within the statement of comprehensive income.

Assets are assessed for indications of impairment at each reporting date. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units), which are based on the Corporation's individual stores.

At each reporting date, assets are assessed for indications that prior impairment losses should be reversed. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized. This reversal would be recognized immediately in the statement of comprehensive income.

#### Intangible assets

Intangible assets are comprised of purchased software and internally developed software systems. They are carried at cost less accumulated amortization and impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives of 3 to 5 years. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses from de-recognition on an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of comprehensive income.

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**YUKON LIQUOR CORPORATION**  
**Notes to Financial Statements**  
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**3. Material accounting policy information (continued)**

Employee benefits

*Pension benefits*

Substantially all of the employees of the Corporation are covered by the public service pension plan (the Plan), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation to cover current service cost. Pursuant to legislation currently in place, the Corporation has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Corporation.

*Non-pension benefits*

Under their conditions of employment, employees may qualify for and earn employment benefits for vacation, sick, and special leave, as well as severance benefits. The benefit obligation is determined on an actuarial basis. The cost of these benefits are accrued as employees render the services required to earn them and are calculated using the projected benefit method pro-rated on service. Actuarial gains and losses are recognized immediately in other comprehensive income. Other retirement benefits include extended health care and life insurance for retirees, which are paid by the Government of Yukon and not accrued for or expensed by the Corporation.

Revenue recognition

Revenue is generated from sales to customers through wholesale and retail stores for liquor products as well as through wholesale for cannabis products. Revenue is recognized when the customer obtains control of the asset which is when the Corporation's performance obligations are satisfied. For retail transactions, this is at the point of sale and for wholesale transactions, this is at the time of shipment. Revenue does not include beverage container recycling fees which are remitted to the Government of Yukon in accordance with the Beverage Container Regulations under the *Environment Act*. Revenue also excludes liquor tax which is remitted to the Government of Yukon in accordance with the *Liquor Tax Act*.

License revenue is initially recognized as deferred revenue and recognized to revenue over the term of the related licence.

Sales of liquor and cannabis products include a right of return. A refund liability is recognized if it is expected that consideration will be refunded to customers. This liability is updated at the end of each reporting period for changes in circumstances. Revenue is stated net of estimated returns. Historically, the return rate for products sold is nominal.

Expense recognition

Expenses are recognized as incurred, on an accrual basis, in the period to which they relate.

*(continues)*



# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 3. Material accounting policy information (*continued*)

#### Leases

For any new contracts entered into, the Corporation considers whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition the Corporation assesses whether the contract meets three key evaluations which are whether:

- (a) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Corporation;
- (b) the Corporation has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- (c) the Corporation has the right to direct the use of the identified asset throughout the period of use. The Corporation assesses whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

At lease commencement date, the Corporation recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is comprised of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Corporation depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Corporation also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Corporation measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Corporation's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the statement of financial position, right-of-use assets and lease liabilities have been disclosed separately.

The Corporation has elected to account for short-term leases (leases with an expected term of 12 months or less) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 4. Financial instruments

The Corporation, through its financial assets and liabilities, is exposed to the following risks from its use of financial instruments: credit risk and liquidity risk. The Corporation manages these risk exposures on an ongoing basis. The Corporation has no significant exposure to interest rate risk or foreign exchange risk. The Corporation is not party to any derivative financial instruments. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant other price risks from its financial instruments. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2024.

#### *Credit risk*

Credit risk on financial instruments arises from the possibility that the issuer of a financial instrument fails to meet its obligation. The carrying amount of cash and accounts receivable represents the maximum credit risk exposure. The risk on cash is minimized as these assets are held with a Canadian chartered bank. The Corporation's accounts receivable has a carrying value of \$41,000 as of March 31, 2024 (2023 - \$61,000). There is a 24.8% (2023 - 30.7%) concentration of accounts receivable with one customer.

The following table provides information about the exposure to credit risk for trade accounts receivable by days the receivable is outstanding:

	2024	2023
Current	\$ 39	\$ 61
91 days or greater	2	-
Total trade accounts receivable	<u>\$ 41</u>	<u>\$ 61</u>

The Corporation measures the loss allowance at an amount equal to the lifetime Expected Credit Loss (ECL) for its accounts receivable. For the years ended March 31, 2024 and 2023, the Corporation has estimated the ECL to be nominal. Accounts written off could still be subject to enforcement activities. No accounts are written off directly to the provision for credit losses. As at March 31, 2024 and 2023, the loss allowance was nil.

#### *Liquidity risk*

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation's objective is to have sufficient liquidity to meet these liabilities when due. The Corporation monitors its cash balances and cash flows generated from operations to meet its requirements by regularly checking bank balances and accounts payable reports. The carrying amount of accounts payable and accrued liabilities and due to the Government of Yukon represents the maximum exposure to liquidity risk.

The Corporation's accounts payable and accrued liabilities had a carrying value of \$1,841,000 as at March 31, 2024 (2023 - \$2,501,000). As at March 31, 2024, approximately 1.31% (2023 - 1.61%) of accounts payable were over 90 days past due. Due to the Government of Yukon had a carrying value of \$2,537,000 as of March 31, 2024 (2023 - \$1,952,000). As at March 31, 2024 0% (2023 - 0.06%) of due to the Government of Yukon were over 90 days past due.

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 5. Inventories

	2024	2023
Liquor		
Beer	\$ 1,184	\$ 1,468
Spirits	1,523	1,605
Wine	1,084	1,141
	<u>3,791</u>	<u>4,214</u>
Cannabis		
Dried Cannabis	411	438
Extracts	327	193
Edibles and other	93	133
	<u>831</u>	<u>764</u>
	<u>\$ 4,622</u>	<u>\$ 4,978</u>

### 6. Property and equipment

	Cost	Accumulated depreciation	2024 Net book value	2023 Net book value
Land	\$ 202	\$ -	\$ 202	\$ 202
Buildings	5,524	4,738	786	726
Leasehold improvements	430	381	49	8
Furniture and office equipment	1,028	948	80	104
Operating equipment	502	334	168	169
Heavy equipment	555	333	222	280
Systems equipment	762	653	109	80
	<u>\$ 9,003</u>	<u>\$ 7,387</u>	<u>\$ 1,616</u>	<u>\$ 1,569</u>
Schedule 1				

At March 31, 2024 there was work-in-progress of \$26,000 (2023 - \$nil) included in the cost of operating equipment.

### 7. Intangible assets

	2024	2023
Systems development cost	\$ 605	\$ 572
System development accumulated amortization	(528)	(495)
	<u>\$ 77</u>	<u>\$ 77</u>

Additions for the year amounted to \$33,000 (2023 - \$33,000). Amortization for the year amounted to \$33,000 (2023 - \$39,000).

At March 31, 2024 there was work-in-progress of \$nil (2023 - \$33,000) included in the cost of systems development cost.

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 8. Accounts payable and accrued liabilities

	2024	2023
Trade payable	\$ 1,603	\$ 1,209
Accrued liabilities	238	1,292
	<b>\$ 1,841</b>	<b>\$ 2,501</b>

### 9. Due to the Government of Yukon

	2024	2023
Reimbursement for payroll and other costs paid on behalf of the Corporation	\$ 1,167	\$ 896
Remittances due to the Government of Yukon pursuant to:		
<i>Liquor Act</i> (Note 13)	775	430
<i>Cannabis Control and Regulation Act</i> (Note 13)	68	115
<i>Liquor Tax Act</i> (Note 13)	417	402
<i>Environment Act</i> (Note 13)	110	109
	<b>\$ 2,537</b>	<b>\$ 1,952</b>

### 10. Employee benefits

#### *Pension plan*

Substantially all of the employees of the Corporation are covered by the public service pension plan (the Plan), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution rate effective at year end was \$1.02 (2023 - \$1.02) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,000 (2023 - \$196,200). For new employees who are participating in the Plan on or after January 1, 2013, the Corporation contributes \$1.00 (2023 - \$1.00) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,000 (2023 - \$196,200). Total contributions to the Plan of \$1,133,446 (2023 - \$1,048,407) were recognized in salaries, wages and benefits; of which \$565,064 (2023 - \$512,057) were contributed by employees and \$568,382 (2023 - \$536,350) by the employer.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada/Québec Pension Plan benefits and they are indexed to inflation.

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**YUKON LIQUOR CORPORATION**  
**Notes to Financial Statements**  
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**10. Employee benefits (continued)**

*Non-pension benefits*

The Corporation provides non-pension benefits to its employees based on years of service and final salary. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Effective December 31, 2019 all current resignation and retirement severance accruals have been frozen for employees classified as Deputy Ministers and Managers; these employees are eligible to receive severance payouts based on service accrued up to December 31, 2019.

The discount rate used to determine the present value of the non-pension accrued benefit obligation is based on interest rates of high-quality corporate bonds of the same currency and with similar terms to maturity.

The following table summarizes non-pension benefits by type:

	2024	2023
Severance benefit	\$ 908	\$ 967
Vacation and special leave	644	629
Sick leave	296	287
Accrued benefit obligation, end of year	<b>\$ 1,848</b>	<b>\$ 1,883</b>

The results measured at March 31 are summarized as follows:

	2024	2023
<u>Reconciliation of accrued benefit obligation</u>		
Accrued benefit obligation, beginning of year	\$ 1,883	\$ 1,996
Components recognized in salaries, wages and benefits		
Current service cost	173	232
Past service cost	(13)	(65)
Interest cost on accrued benefit obligation	92	85
Actuarial gain recognized in other comprehensive income	(84)	(267)
Benefits paid	(203)	(98)
Accrued benefit obligation, end of year	<b>\$ 1,848</b>	<b>\$ 1,883</b>

	2024	2023
<u>Classification of accrued benefit obligation</u>		
Current portion of non-pension benefit liability	\$ 208	\$ 273
Non-current portion	1,640	1,610
Total accrued benefit obligation	<b>\$ 1,848</b>	<b>\$ 1,883</b>

(continues)

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 10. Employee benefits (continued)

	2024	2023
<u>Reconciliation of actuarial gains recognized in Other Comprehensive Income (OCI)</u>		
Cumulative actuarial gain recognized in OCI, beginning of year	\$ (390)	\$ (123)
Actuarial (gain) loss from member experiences	(70)	(154)
Actuarial gain from economic assumption changes	(14)	(113)
Cumulative actuarial gain recognized in OCI, end of year	<u>\$ (474)</u>	<u>\$ (390)</u>

The significant assumptions used in the actuarial valuation of the obligation were as follows:

	2024	2023
Discount rate	4.90%	4.80%
Salary escalation rate per annum	2.00%	2.00%

A quantitative sensitivity analysis as at March 31, 2024 shows the impact of the change in the significant actuarial assumptions on the non-pension benefit obligation:

	1% increase	1% decrease
Discount rate	\$ (98)	\$ 146
Salary escalation rate per annum	161	(142)

The most recent full actuarial valuation in respect of the non-pension benefits plan was prepared as of December 31, 2022 and extrapolated to March 31, 2024. The weighted average of the maturity plan as at March 31, 2024 is 6.6 years.

### 11. Capital management

The Corporation manages its capital in order to purchase a range of liquor and cannabis products and make them available to consumers, and to regulate the sale and consumption of these products, while optimizing the net proceeds to the Government of Yukon realized from the sale and control of liquor and cannabis.

The Corporation defines capital as net assets. It is subject to the financial management and accountability provisions of the *Financial Administration Act* of Yukon, the *Corporate Governance Act*, the *Liquor Act*, and the *Cannabis Control and Regulation Act*, which specifies that net assets of the Corporation are the property of the Government of Yukon.

The Corporation manages its net assets through its five year capital plan and as a by-product of managing revenues, expenses, assets, liabilities and general financial dealings to ensure that its objectives are achieved effectively. The five year capital plan and revenue projections are approved annually by the Management Board of the Government of Yukon. The Corporation is required to provide regular variance reporting to the Government of Yukon.

The Corporation is not subject to external capital requirements. There has been no change to its capital management during the year.



# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 12. Equity

The following table summarizes the composition of equity as at year-end:

	2024	2023
Property and equipment	\$ 1,616	\$ 1,569
Intangible assets	77	77
Right-of-use assets	289	612
Lease liabilities	(298)	(622)
Section 12.3(b) adjustment <sup>(1)</sup>	505	505
	<u>\$ 2,189</u>	<u>\$ 2,141</u>

<sup>(1)</sup> Under Section 12.3(b) of the *Cannabis Control and Regulation Act* remittance of profit to the Government of Yukon for the year ended March 31, 2019 was reduced.

The change in equity is comprised of comprehensive income for the year less profit to be remitted to the Government of Yukon. In accordance with the *Liquor Act* and the *Cannabis Control and Regulation Act* the Corporation remits adjusted profits to the Government of Yukon. The calculation of the adjusted profit due to the Government of Yukon for the year is as follows:

	<i>Liquor Act</i>	<i>Cannabis Control and Regulation Act</i>	2024 Total
Comprehensive income for the year	\$ 8,114	\$ 367	\$ 8,481
Depreciation of property and equipment	179	17	196
Amortization of intangible assets	24	9	33
Additions to property and equipment	(240)	(24)	(264)
Additions to intangible assets	(33)	-	(33)
Loss on disposal of property and equipment	21	-	21
Depreciation of right-of-use assets	323	-	323
Principal repayments of lease liabilities	(324)	-	(324)
Current year's profit to be remitted (Note 13)	<u>\$ 8,064</u>	<u>\$ 369</u>	<u>\$ 8,433</u>

	<i>Liquor Act</i>	<i>Cannabis Control and Regulation Act</i>	2023 Total
Comprehensive income for the year	\$ 7,657	\$ 330	\$ 7,987
Depreciation of property and equipment	223	27	250
Amortization of intangible assets	24	15	39
Additions to property and equipment	(193)	-	(193)
Additions to intangible assets	(33)	-	(33)
Depreciation of right-of-use assets	308	-	308
Principal repayments of lease liabilities	(316)	-	(316)
Profit to be remitted for the year (Note 13)	<u>\$ 7,670</u>	<u>\$ 372</u>	<u>\$ 8,042</u>

**YUKON LIQUOR CORPORATION**

**Notes to Financial Statements**

**March 31, 2024**

(Tabular amounts in thousands of Canadian dollars)

**13. Related party balances and transactions**

*Amount due to the Government of Yukon pursuant to the Liquor Act*

	2024	2023
Current year's profit to be remitted (Note 12)	\$ 8,064	\$ 7,670
Balance due at the beginning of the year	430	493
Less: remitted during the year	(7,719)	(7,733)
Due to the Government of Yukon at the end of the year	<u>\$ 775</u>	<u>\$ 430</u>

*Amount due to the Government of Yukon pursuant to the Cannabis Control and Regulation Act*

	2024	2023
Current year's profit to be remitted (Note 12)	\$ 369	\$ 372
Balance due at the beginning of the year	115	247
Less: remitted during the year	(416)	(504)
Due to the Government of Yukon at the end of the year	<u>\$ 68</u>	<u>\$ 115</u>

*Amount due to the Government of Yukon pursuant to the Liquor Tax Act*

	2024	2023
Balance due at the beginning of the year	\$ 402	\$ 413
Liquor tax collected during the year	5,314	5,106
Less: remitted during the year	(5,299)	(5,117)
Due to the Government of Yukon at the end of the year	<u>\$ 417</u>	<u>\$ 402</u>

*Amount due to the Government of Yukon pursuant to the Beverage Container Regulations under the Environment Act*

	2024	2023
Bottle deposits collected	\$ 787	\$ 800
Environment fees collected	613	604
Other claims and fees	1	2
Less: remitted during the year	(1,291)	(1,297)
Due to the Government of Yukon at the end of the year	<u>\$ 110</u>	<u>\$ 109</u>

*(continues)*



# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 13. Related party balances and transactions (continued)

#### *Transactions with the Government of Yukon without compensation*

The Government of Yukon and the Corporation provide services to each other without compensation. These transactions are not recorded in the financial statements of the Corporation.

The Government of Yukon provides rent-free occupation of certain government buildings and land to the Corporation with an estimated value of \$1,017,000 (2023 - \$1,198,000). The Government of Yukon also provides mail services with an estimated value of \$31,661 (2023 - \$32,102).

The Corporation provides Territorial Agent services in rural community liquor stores on behalf of the Government of Yukon with an estimated value of \$898,000 (2023 - \$587,000).

The Corporation reimburses the Government of Yukon on a monthly basis for salaries and benefits expense paid on its behalf and administered by the Government of Yukon. During the year, other retirement benefits paid to retired Corporation employees by the Government of Yukon without compensation totalled \$21,387 (2023 - \$17,209).

#### *Agreements with related parties*

The Corporation has lease agreements for the Haines Junction and Mayo community liquor stores and service level agreements for the three owned community liquor stores. During the year the payments totalled \$286,000 (2023 - \$277,000) to the Government of Yukon for these agreements.

The Government of Yukon provides certain property management services to the Corporation. During the year the Corporation was charged \$4,000 (2023 - \$34,000) for work done on its properties.

The Corporation has service agreements with the Government of Yukon for the provision of information, communication and technology services. During the year the Corporation was charged \$262,000 (2023 - \$233,000) for these services.

The Corporation has service agreements with the Government of Yukon for the provision of human resources' services. During the year the Corporation was charged \$263,000 (2023 - \$263,000) for these services.

The Corporation has service agreements with Lotteries Yukon and the Yukon Development Corporation for shared services provided on behalf of the Corporation. During the year the Corporation recovered \$143,000 (2023 - \$nil) for these services.

#### *Key management compensation*

The remuneration of key management personnel, which includes the members of the executive committee, recognized as an expense during the period was:

	2024	2023
Salaries and short-term employee benefits	\$ 1,002	\$ 938
Post-employment benefits	168	185
Other long-term employee benefits	26	13

**YUKON LIQUOR CORPORATION**  
**Notes to Financial Statements**  
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**14. Revenue**

	2024	2023
Liquor		
Beer	\$ 17,757	\$ 17,228
Spirits	18,193	17,185
Wine	8,528	8,217
	<u>44,478</u>	<u>42,630</u>
Cannabis		
Dried Cannabis	5,487	5,047
Extracts	3,059	2,047
Edibles and Other	652	614
	<u>9,198</u>	<u>7,708</u>
Total revenue	<u><b>\$ 53,676</b></u>	<u><b>\$ 50,338</b></u>

**15. Cost of goods sold**

	2024	2023
Liquor		
Beer	\$ 12,707	\$ 12,248
Spirits	9,017	8,218
Wine	4,529	4,193
	<u>26,253</u>	<u>24,659</u>
Cannabis		
Dried	4,411	3,962
Extracts	2,473	1,646
Edibles and Other	521	480
	<u>7,405</u>	<u>6,088</u>
Total cost of goods sold	<u><b>\$ 33,658</b></u>	<u><b>\$ 30,747</b></u>

**16. Other operating expenses**

	2024	2023
Office supplies	\$ 166	\$ 206
Program materials and supplies	162	145
Computer systems and telecommunications	144	198
Travel and training	89	95
Other expenses	62	61
Contributions	29	55
	<u><b>\$ 652</b></u>	<u><b>\$ 760</b></u>

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 17. Leases

The Corporation has leases that relate to the Whitehorse, Haines Junction and Mayo liquor stores with lease terms from 1 year up to 5 years. The Corporation does not have an option to purchase the buildings at the expiry of the lease periods. The Mayo lease agreement is a short-term lease and therefore no right-of-use asset and no lease liability are recognized. The Corporation has arrangements with the Government of Yukon that allows the Corporation to lease the warehouse in Whitehorse and the Dawson liquor store land for no compensation (Note 13). Because there is no compensation for the use of the building and land, no right-of-use asset and no lease liability are recognized.

Each lease generally imposes a restriction that, unless there is a contractual right for the Corporation to sublet the asset to another party, the right-of-use asset can only be used by the Corporation. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Corporation is prohibited from selling or pledging the underlying leased assets as security.

The table below describes the nature of the Corporation's leasing activities by type of right-of-use assets recognized on the statement of financial position:

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with options to purchase	No. of leases with variable payments linked to an index	No. of leases with termination options
Retail stores	2	3-13 months	7 months	1	0	0	0
					2024	2023	
<u>Payments not included in the measurement of the lease liability</u>							
Short-term leases					\$ 71	\$ 70	
					2024	2023	
<u>Amounts recognized in the statement of comprehensive income</u>							
Interest paid on lease liabilities					\$ 15	\$ 21	
Depreciation on right-of-use assets					323	308	
					\$ 338	\$ 329	
					2024	2023	
<u>Right-of-use assets by class of assets</u>							
Buildings - cost					\$ 1,117	\$ 1,117	
Buildings - accumulated depreciation					(828)	(505)	
Carrying amount					\$ 289	\$ 612	

(continues)

**YUKON LIQUOR CORPORATION**  
**Notes to Financial Statements**  
**March 31, 2024**  
(Tabular amounts in thousands of Canadian dollars)

**17. Leases (continued)**

	2024	2023
<u>Lease liabilities are presented in the statement of financial position</u>		
Current portion of lease liabilities	\$ 276	\$ 323
Long-term portion of lease liabilities	22	299
	<u>\$ 298</u>	<u>\$ 622</u>

Future minimum lease payments at March 31 were as follows:

	2024	2023
<u>Minimum lease payments due</u>		
Less than 1 year		
Lease payments	\$ 281	\$ 339
1 to 5 years		
Lease payments	22	303

**18. Commitments**

In the normal course of operations, the Corporation enters into multi-year agreements for the provision of freight and other goods and services. The total of these commitments as at March 31, 2024 for future years is \$10,602,078 (March 31, 2023 - \$3,051,661).

Included in these commitments is \$25,535 (2023 - \$nil) for the acquisition of property and equipment.

**19. Comparative figures**

Certain comparative figures for 2023 have been reclassified to conform with the 2024 presentation.

During the year, the Corporation changed the presentation of its statement of financial position to reclassify the current portion of non-pension benefit liability from accounts payable and accrued liabilities to a separate line within current liabilities to better reflect the nature of these liabilities.

During the year, the Corporation changed the presentation of its statement of comprehensive income to group similar other operating expenses together in one line to simplify the presentation of expenses in the statement.

During the year, the Corporation changed its presentation of its statement of cash flows to group certain non-cash working capital items together to simplify the presentation of operating activities in the statement.

(continues)

# YUKON LIQUOR CORPORATION

## Notes to Financial Statements

March 31, 2024

(Tabular amounts in thousands of Canadian dollars)

### 19. Comparative figures (continued)

The following tables summarize the impacts on the Corporation's financial statements.

Statement of Financial Position	March 31, 2023 (Previously reported)	Increase / (Decrease)	March 31, 2023 (Reclassified)
Accounts payable and accrued liabilities	\$ 2,774	\$ (273)	\$ 2,501
Current portion of non-pension benefit liability	-	273	273
	<u>\$ 2,774</u>	<u>\$ -</u>	<u>\$ 2,774</u>

Statement of Comprehensive Income	March 31, 2023 (Previously reported)	Increase / (Decrease)	March 31, 2023 (Reclassified)
Salaries, wages and benefits	\$ 8,505	\$ (23)	\$ 8,482
Rent, utilities and maintenance	1,119	(143)	976
Other operating expenses	210	550	760
Travel and communications	156	(156)	-
Computer systems	125	(125)	-
General and office supplies	103	(103)	-
	<u>\$ 10,218</u>	<u>\$ -</u>	<u>\$ 10,218</u>

Statement of Cash Flows	March 31, 2023 (Previously reported)	Increase / (Decrease)	March 31, 2023 (Reclassified)
Accounts receivable	\$ 137	\$ (137)	\$ -
Inventories	(829)	829	-
Prepaid expenses	(41)	41	-
Accounts receivables, inventories and prepaid expenses	-	(733)	(733)
Accounts payable and accrued liabilities	760	(760)	-
Deferred revenue	63	(63)	-
Due to the Government of Yukon	(82)	82	-
Deferred government grant	(30)	30	-
Accounts payables and other current liabilities	-	711	711
	<u>\$ (22)</u>	<u>\$ -</u>	<u>\$ (22)</u>

# YUKON LIQUOR CORPORATION

## Schedule of Property and Equipment

(Schedule 1)

For the year ended March 31

(Tabular amounts in thousands of Canadian dollars)

	Land	Buildings	Leasehold improvements	Furniture and office equipment	Operating equipment	Heavy equipment	Systems equipment	2024 Total	2023 Total
Cost, beginning of year	\$ 202	\$ 5,447	\$ 381	\$ 1,008	\$ 467	\$ 589	\$ 689	\$ 8,783	\$ 8,590
Acquisitions	-	77	49	30	35	-	73	264	193
Disposals	-	-	-	(10)	-	(34)	-	(44)	-
Transfers	-	-	-	-	-	-	-	-	-
Cost, end of year	\$ 202	\$ 5,524	\$ 430	\$ 1,028	\$ 502	\$ 555	\$ 762	\$ 9,003	\$ 8,783
Accumulated depreciation, beginning of year	\$ -	\$ 4,721	\$ 373	\$ 904	\$ 298	\$ 309	\$ 609	\$ 7,214	\$ 6,964
Depreciation	-	17	8	53	36	38	44	196	250
Disposals	-	-	-	(9)	-	(14)	-	(23)	-
Transfers	-	-	-	-	-	-	-	-	-
Accumulated depreciation, end of year	\$ -	\$ 4,738	\$ 381	\$ 948	\$ 334	\$ 333	\$ 653	\$ 7,387	\$ 7,214
Net book value	\$ 202	\$ 786	\$ 49	\$ 80	\$ 168	\$ 222	\$ 109	\$ 1,616	\$ 1,569

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

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YUKON UNIVERSITY  
FINANCIAL STATEMENTS

March 31, 2024

(audited)



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## Management's Responsibility for Financial Reporting

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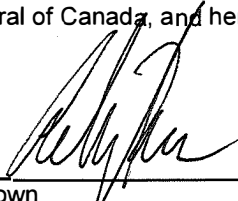
The consolidated financial statements are the responsibility of management and the Board of Governors of the Yukon University (the University). The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards with Section 4200 series for government not-for-profit organizations. The consolidated financial statements include estimates based on the experience and judgment of management.

Management is responsible for maintaining the books of account, financial and management controls, and information systems, together with management practices designed to provide reasonable assurance that reliable and accurate financial information is available on a timely basis, that assets are safeguarded and controlled, that resources are managed economically and efficiently in the attainment of University objectives and that operations are carried out effectively.

Management is also responsible for designing systems and practices to provide reasonable assurance that transactions are in accordance with the *Yukon University Act*, bylaws, and policies of the University.

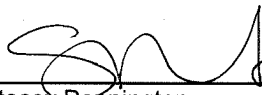
The Board of Governors (the Board) is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board meets on a periodic basis with management and the external auditor to review the scope and results of the annual audit, and to review the consolidated financial statements and related financial reporting matters. The Board of Governors has reviewed and approved the consolidated financial statements.

These consolidated financial statements have been independently audited by the University's auditor, the Auditor General of Canada, and her report is included herein.



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Dr. Lesley Brown  
President



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Stacey Pennington  
Director Finance and Administration

September 25, 2024



## INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Yukon University

### *Opinion*

We have audited the consolidated financial statements of Yukon University and its controlled entity (the Group), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of operations, consolidated statement of changes in net assets, consolidated statement of remeasurement gains and losses, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and the consolidated results of its operations, its consolidated remeasurement gains and losses, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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



Lana Dar, CPA, CA  
Principal  
for the Auditor General of Canada

Vancouver, Canada  
25 September 2024

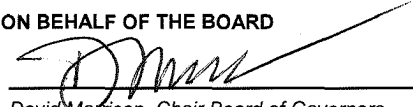
**YUKON UNIVERSITY**  
**Consolidated Statement of Financial Position**  
**As at March 31**

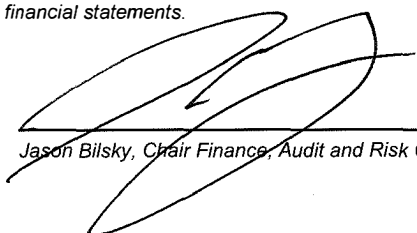
	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 21,045,784	\$ 18,424,053
Accounts receivable (Note 4)	5,350,844	7,248,987
Inventories	189,713	170,235
Prepaid expenses	929,371	897,749
Total Current Assets	<u>27,515,712</u>	<u>26,741,024</u>
<b>NON-CURRENT</b>		
Restricted cash and cash equivalents	-	1,064,111
Investments (Note 6)	6,826,160	6,140,008
Accrued pension benefit asset (Note 7a)	33,902,900	29,618,400
Capital assets (Note 8)	11,659,591	10,692,541
Total Non-current Assets	<u>52,388,651</u>	<u>47,515,060</u>
<b>TOTAL ASSETS</b>	<u>\$ 79,904,363</u>	<u>\$ 74,256,084</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 6,940,210	\$ 6,756,825
Deferred revenue (Note 10)	759,957	1,034,002
Deferred contributions (Note 11)	10,125,543	10,089,589
Vacation leave and employee future benefits (Note 12)	3,477,552	4,194,786
Loan payable (Note 13)	966,431	966,431
Total Current Liabilities	<u>22,269,693</u>	<u>23,041,633</u>
<b>NON-CURRENT</b>		
Deferred capital contributions (Note 14)	7,741,201	6,770,142
Other employee future benefits (Note 7b)	6,846,510	6,616,410
Total Non-current Liabilities	<u>14,587,711</u>	<u>13,386,552</u>
	<u>36,857,404</u>	<u>36,428,185</u>
<b>NET ASSETS</b>		
Unrestricted	(1,542,726)	(1,507,937)
Invested in capital assets	3,918,390	3,922,399
Externally restricted for endowments (Note 15)	5,117,345	4,327,447
Internally restricted for pension	33,902,900	29,618,400
Internally restricted for capital assets	1,801,183	1,738,076
	<u>43,197,092</u>	<u>38,098,385</u>
Accumulated remeasurement losses	(150,133)	(270,486)
	<u>43,046,959</u>	<u>37,827,899</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 79,904,363</u>	<u>\$ 74,256,084</u>

Contractual rights, Contractual obligations and Contingencies (Notes 20, 21, 22)

The accompanying notes are an integral part of the consolidated financial statements.

**ON BEHALF OF THE BOARD**

  
David Morrison, Chair Board of Governors

  
Jason Bilsky, Chair Finance, Audit and Risk Committee

**YUKON UNIVERSITY**  
**Consolidated Statement of Operations**  
**For the year ended March 31**

	2024	2023
<b>REVENUES</b>		
Government of Yukon contributions (Note 17)	\$ 39,368,916	\$ 40,067,888
Other contributions (Note 11)	10,989,216	9,659,569
Contracts (Note 10)	4,330,677	3,304,699
Tuition (Note 10)	2,860,142	2,560,517
Sales, rental and services	1,432,615	1,336,273
Miscellaneous income (Note 18)	1,304,992	1,036,715
Interest income	1,030,337	588,334
Amortization of deferred capital contributions (Note 14)	475,912	452,888
Student assistance/scholarships	259,577	171,651
	<b>62,052,384</b>	<b>59,178,534</b>
<b>EXPENSES (Note 16)</b>		
Direct instruction	18,374,335	15,662,540
Direct instructional support	11,551,335	10,951,633
General administration	8,506,111	7,176,500
Research	8,278,265	6,608,607
Service received without charge (Note 16)	5,222,276	7,108,904
Facility services and utilities	2,444,984	1,859,879
Amortization of capital assets	1,429,976	1,188,681
Cost of sales	1,370,589	1,203,726
Student assistance/scholarships	259,577	150,967
Miscellaneous	56,127	57,977
	<b>57,493,575</b>	<b>51,969,414</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 4,558,809</b>	<b>\$ 7,209,120</b>

*The accompanying notes are an integral part of the consolidated financial statements.*

**YUKON UNIVERSITY**  
**Consolidated Statement of Changes in Net Assets**  
**For the year ended March 31**

	Unrestricted	Invested in Capital Assets	Externally Restricted for Endowments	Internally Restricted for Pension	Internally Restricted for Capital Assets	Accumulated Remeasurement Losses	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ (1,507,937)	\$ 3,922,399	\$ 4,327,447	\$ 29,618,400	\$ 1,738,076	\$ (270,486)	<b>\$ 37,827,899</b>	\$ 30,782,942
Excess of revenues over expenses	211,202	-	-	4,284,500	63,107	-	<b>4,558,809</b>	7,209,120
Capital assets acquired net of disposals	(2,397,026)	2,397,026	-	-	-	-	-	-
Deferred capital contributions invested in capital assets (Note 14)	1,446,971	(1,446,971)	-	-	-	-	-	-
Amortization of capital assets	1,429,976	(1,429,976)	-	-	-	-	-	-
Amortization of deferred capital contributions (Note 14)	(475,912)	475,912	-	-	-	-	-	-
Transfer (to)/from deferred contributions	(250,000)	-	484,389	-	-	-	<b>234,389</b>	-
Remeasurement gains/(losses)	-	-	-	-	-	120,353	<b>120,353</b>	(236,368)
Endowment contributions - net	-	-	865	-	-	-	<b>865</b>	4,816
Net investment income	-	-	304,644	-	-	-	<b>304,644</b>	67,389
<b>NET ASSETS - END OF YEAR</b>	<b>\$ (1,542,726)</b>	<b>\$ 3,918,390</b>	<b>\$ 5,117,345</b>	<b>\$ 33,902,900</b>	<b>\$ 1,801,183</b>	<b>\$ (150,133)</b>	<b>\$ 43,046,959</b>	<b>\$ 37,827,899</b>

*The accompanying notes are an integral part of the consolidated financial statements.*



**YUKON UNIVERSITY**  
**Consolidated Statement of Remeasurement Gains and Losses**  
**For the year ended March 31**

	2024	2023
<b>Accumulated remeasurement losses, beginning of year</b>	<b>\$ (270,486)</b>	<b>\$ (34,118)</b>
Unrealized gains/(losses) attributable to: Investments	<u>120,353</u>	<u>(236,368)</u>
<b>ACCUMULATED REMEASUREMENT LOSSES, END OF YEAR</b>	<b><u>\$ (150,133)</u></b>	<b><u>\$ (270,486)</u></b>

*The accompanying notes are an integral part of the consolidated financial statements.*

**YUKON UNIVERSITY**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 4,558,809	\$ 7,209,120
Amortization of capital assets	1,429,976	1,188,681
Amortization of deferred capital contributions	(475,912)	(452,888)
(Gain)/loss on disposal of capital assets	(2,857)	8,034
Decrease in accounts receivable	1,898,143	5,501,031
Increase in accounts payable	1,152,923	731,949
(Decrease)/increase in deferred revenue	(274,045)	836,194
Decrease in loan payable	-	(30,000)
Increase in deferred contributions	270,343	1,883,684
Increase in inventories	(19,478)	(87,863)
Increase in prepaid expenses	(31,622)	(316,966)
Decrease in vacation leave and employee future benefits	(717,234)	(8,368)
Increase in accrued pension benefit asset	(4,284,500)	(5,275,900)
Increase in non-current other employee future benefits	230,100	185,900
Cash provided by operating activities	<u>3,734,646</u>	<u>11,372,608</u>
<b>INVESTING ACTIVITIES</b>		
Decrease/(increase) in restricted cash and cash equivalents	1,064,111	(235,416)
Increase in investments	(565,799)	(225,161)
Cash provided by/(used for) investing activities	<u>498,312</u>	<u>(460,577)</u>
<b>CAPITAL ACTIVITIES</b>		
Capital assets acquired	(3,366,564)	(2,332,876)
Proceeds from disposal of capital assets	2,857	209,985
Cash used for capital activities	<u>(3,363,707)</u>	<u>(2,122,891)</u>
<b>FINANCING ACTIVITIES</b>		
Net investment income from endowments	304,644	67,389
Endowment contributions - net	865	4,816
Receipt of deferred capital contributions	1,446,971	1,900,023
Cash provided by financing activities	<u>1,752,480</u>	<u>1,972,228</u>
<b>INCREASE IN CASH</b>	<u>2,621,731</u>	<u>10,761,368</u>
Cash - beginning of year	<u>18,424,053</u>	<u>7,662,685</u>
<b>CASH - END OF YEAR</b>	<u>\$ 21,045,784</u>	<u>\$ 18,424,053</u>
<b>SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ 1,030,337	\$ 588,334
Interest paid	\$ 1,592	\$ 3,240

*The accompanying notes are an integral part of the consolidated financial statements.*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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**1. PURPOSE**

a) The *Yukon University Act* was proclaimed into force effective February 6, 2020 replacing the *Yukon College Act*. Under the *Yukon University Act*, Yukon College, incorporated under the *Yukon College Act*, continues as a corporation under the name Yukon University. Yukon University (the University) is a post-secondary educational institution. The University is a not-for-profit organization and is a registered charity under the *Income Tax Act* and is therefore exempt from tax. A significant portion of its funding is provided by the Government of Yukon. The purpose of the University is to offer a balance of educational programs. Programs include baccalaureate, masters and doctoral degree programs, certificate, and diploma programs, and continuing and adult basic education. The University also undertakes and maintains research, scholarly activities and other learning and training activities for these purposes.

b) The Yukon University Foundation (the Foundation) is incorporated as a not-for-profit organization under the *Canada Not-For-Profit Corporations Act*. The Foundation is a registered charity under the *Income Tax Act* and is therefore exempt from tax. The Foundation was established:

- to fund, facilitate, promote, and carry out activities which are consistent with the objectives of the University and to provide support for its educational facilities, educational programs, and education services;
- to fund the provision of bursaries, scholarships and prizes granted by the University for any purpose for students in attendance at facilities owned and/or operated by the University;
- to receive bequests, legacies, donations, gifts, funds, and property from all sources and to hold and invest such funds and property and to administer and distribute such funds and property for the purposes of the Foundation; and
- to do all such other things as are incidental and ancillary to the attainment of the foregoing purposes and the exercise of the power of the Foundation.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The University has elected to apply the Section 4200 series for government-not-for-profit organizations.

**Basis of consolidation**

The consolidated financial statements include the accounts of the University and its controlled entity, the Foundation. All inter-entity transactions and balances have been eliminated on consolidation.

The University controls the Foundation as it has the ability to appoint the Board of Governors of the University as the majority of the members of the Board of Directors of the Foundation. The President is an ex-officio member of the Board of Directors of the Foundation and a non-voting member of the Board of Governors of the University. The Foundation operates out of the University's main campus building with the assistance of University employees in the advancement office.

Trusts administered by the University on behalf of others are excluded from these consolidated financial statements.

**Financial instruments**

The financial instruments of the University include cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities and loan payable.

All of the University's financial instruments are assigned to the cost or amortized cost measurement category, except for investments which are assigned to the fair value measurement category.

*(continues)*

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Fair value classification

Investments includes equity and debt instruments that are quoted in an active market. They are initially recognized at fair value and subsequently carried at fair value. Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized. Realized changes in fair value of investments are recorded as deferred contributions, where they remain deferred until the restriction on use is fulfilled, and at that time the amount is transferred to the Consolidated Statement of Operations. Transaction costs are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the Consolidated Statement of Operations.

The University classifies, for financial reporting purposes, fair value measurements using a fair value hierarchy made up of three levels, according to the inputs used in making the measurements.

Level 1: This level includes assets and liabilities measured at fair value based on unadjusted quoted prices for identical assets and liabilities in an active market that the University can access at the measurement date.

Level 2: This category includes measurements that use, either directly or indirectly, observable inputs other than quoted prices included in level 1.

Level 3: The measurements in this category depend upon inputs that are less observable, not available or for which observable inputs do not justify most of the instruments' fair value.

Amortized cost classification

These financial instruments are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs are added to the cost of the instrument.

Writedowns are recognized when the amount of the loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are written down to net recoverable value with the writedown recognized in the Consolidated Statement of Operations. Accounts receivable are recorded at cost less valuation allowances. Valuation allowances are calculated by examining amounts overdue 90 days or more and/or accounts where there is no longer reasonable assurance of timely collection to estimate amounts deemed to be uncollectible.

**Capital assets**

Capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the time of contribution.

When conditions indicate that an asset no longer contributes to the University's ability to provide its services, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

Construction in progress costs are capitalized as incurred. These amounts are transferred to various categories of capital assets and are amortized on a basis consistent with similar assets once the assets are placed in service.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Capital assets are amortized on a straight-line basis over their estimated useful lives, which are estimated as follows:

	<u>Useful life (years)</u>
Leasehold improvements	20
Equipment general	5-10
Equipment electronic data processing (EDP)	3-5
Mobile trailers	5-20
Furniture and fixtures	10
Vehicles	5

Works of art are capitalized at cost and no amortization is recorded.

**Asset retirement obligations**

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) The past transaction or event giving rise to the liability has occurred;
- (c) It is expected that future economic benefits will be given up; and,
- (d) A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is recorded as a liability and increase to the related tangible capital assets. As at March 31, 2024, the University determined that there were no significant asset retirement obligations associated with its capital assets.

**Inventories**

Inventories consist of items for resale in the bookstore and food service operations and are valued at the lower of cost and net realizable value. Cost is determined on a first-in first-out basis.

**Contributed services**

The University benefits from services provided by volunteers in assisting the institution in carrying out its activities. The fair value of these services is not reliably estimable and accordingly is not recognized in the consolidated financial statements.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

**Employee future benefits**

Pension benefits

Yukon University Employees' Pension Plan (pension plan) is a contributory defined benefit pension plan. The pension plan provides mandatory pension benefits for all full-time employees and optional benefits for part-time employees of the University after 24 months of continuous service. The University's pension plan provides for defined retirement benefits based on an employee's years of service and average final earnings, in accordance with the federal *Pension Benefits Standards Act*, and is indexed in accordance with the change in Consumer Price Index for 12 months ending September 30th. In general, pension benefits are based on 2% of the best five years of continuous service minus any adjustments required by the Canada Pension Plan. Plan members can accumulate up to 35 years of continuous service. The University has contracted with external organizations to provide the services of trustee, administration, consulting, and investment management for the pension plan. The pension plan assets are held by a trustee and separate financial statements are prepared for the pension plan.

The University accrues its obligations under the pension plan and the related costs, net of plan assets.

The cost of pension benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, inflation rates, salary escalation, and retirement ages of employees.

Past service costs from plan amendments are accounted for in the period of the plan amendments.

Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee group.

Other non-pension benefits

The cost of the benefit plan, other than pension, including severance benefits, non-vesting but accumulating sick leave and special leave and managers' accrued leave, payable upon termination of employment, death or retirement, is actuarially determined using the projected accrued benefit method prorated on employment services using management's best estimate of inflation rates, salary escalation, and retirement ages of employees, and is recognized over the period in which the benefits are earned (i.e. the period the employee renders service to the University). Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee group. The University accrues other vacation and leave benefits for employees as earned based on their respective terms of employment.

**Revenue recognition**

The University follows the deferral method of accounting for contributions. Restricted contributions are deferred and recognized as revenue on the same basis and in the same periods as expenses under the terms of the restrictions. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Unrestricted contributions, such as operating grants, are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recorded as direct increases in net assets. Investment income earned on restricted endowments which is required to remain in the endowment is added to the endowment principal. Investment income earned on restricted endowment contributions that is not required to remain in the endowment is deferred until a specified expense is incurred.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Student tuition, fees and contracts related to program delivery represent revenues for programs offered by the University, including credit and non-credit course tuition, and non-instructional fees. These tuition, fees and contracts are considered revenue arising from exchange transactions with performance obligations and are recognized as revenue over time when or as the University fulfils its performance obligation(s) by delivering the programs. If the performance obligation is outstanding at year end, the remaining revenue is deferred.

Sales of services and products represent revenues from non-tuition related services and products, including campus store sales, cafeteria sales, facility rentals and other general sales. These revenues are considered exchange transactions and are recognized as revenue when or as the University fulfils its performance obligation(s) and transfers control of the promised goods or services to the payor. Housing revenues are considered revenue arising from exchange transaction and are recognized as revenue over the duration of the housing rental agreement. If a performance obligation is outstanding at March 31, the remaining revenue is deferred. Sales without a performance obligation, including library fines, housing damage charges and damage deposit forfeited are non-exchange transactions and are recognized when the University has the authority to claim or retain the revenue.

**Allocation of expenses**

The University allocates the majority of its expenses by function. General administration expenses are not allocated to other functions but are disclosed separately. Fundraising expenses incurred during the year are included in general administration expenses.

**Internally restricted net assets**

Net assets invested in capital assets represents the amount the University has spent on capital assets using its own funding sources. Net assets internally restricted for pension represents the amounts restricted in order to meet future pension obligations. Net assets internally restricted for capital assets represents the amounts restricted in order to invest in capital assets (replacement and purchase of new assets).

**Related party transactions**

The University is related to all Government of Yukon departments, corporations, agencies, and the University's key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the University. Significant transactions with related parties and balances at year-end are disclosed separately in the consolidated financial statements and notes thereto.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions are recorded on a gross basis and are measured at the carrying amount, except for when inter-entity transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered, they are measured at the exchange amount.

Related party transactions other than inter-entity transactions are recorded at the exchange amount.

The University receives certain services provided by the Government of Yukon without charge. The majority of the services received without charge represent costs associated with facilities provided by the Government of Yukon at a reduced, or no, charge. These services are recognized as expenses with an offsetting credit to revenues in order to reflect the full cost of the University's operations in its consolidated financial statements. These services are recorded at amounts based on the Government of Yukon's amortization expense (for the main campus), and on fair value for the rental of other facilities.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

**Use of estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses for the year. Significant areas requiring the use of management estimates relate to the determination of the accrued pension benefit asset and the liabilities for other employee future benefits, and the estimated useful lives of capital assets. Actual results could differ significantly from those estimated. Estimates are reviewed annually and as adjustments become necessary, they are recorded in the consolidated financial statements in the period which they become known.

**Contingent liabilities**

Contingent liabilities may arise from time to time in the normal course of operations. Liabilities on any litigation are recognized in the consolidated financial statements when it is likely that a future event will confirm that a liability has been incurred at the date of the consolidated financial statements and the amount can be reasonably estimated. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingent liability is disclosed in the notes to the consolidated financial statements and no liability is accrued.

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3. **ADOPTION OF NEW ACCOUNTING STANDARDS DURING THE YEAR**

On April 1, 2023, the University adopted Canadian public sector accounting standard PS 3400 Revenue. The standard establishes how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the University satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when the University:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

The University determined that the adoption of this standard did not have a material impact on these consolidated financial statements. The University has applied PS 3400 prospectively in these consolidated financial statements and, as permitted by the transitional provisions, prior periods were not restated.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

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**4. FINANCIAL RISK MANAGEMENT**

The University's financial instruments are exposed to the following risks: interest rate risk, foreign exchange risk, credit risk, liquidity risk and other price risk. The University manages these risk exposures on an ongoing basis. The University is not party to any financial derivatives.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The University is exposed to interest rate risk on its fixed interest rate for financial instruments, which subject the University to a fair value risk. Investments are monitored by the Board of Governors and managed by investment managers, subject to asset mix and performance benchmarks contained in the investment policies. The investment managers report on a regular basis to the Board of Governors.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of financial assets and liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates. The University is not exposed to any significant foreign exchange risk because instruments held in foreign currency are not considered significant.

Credit risk

Credit risk arises from the possibility that the issuer of a financial instrument fails to meet its obligation. The carrying amount of cash and cash equivalents, accounts receivable, and the portion of investments related to debt securities and cash and cash equivalents represents the maximum credit exposure. The credit risk associated with these instruments is considered to be minimal due to the nature of the instruments and the fact that the majority of the accounts receivable are due from the federal, territorial, first nation and municipal governments.

Information regarding the University's accounts receivable is as follows:

	<b>2024</b>	<b>2023</b>
Carrying value	<b>\$ 5,350,844</b>	\$ 7,248,987
Allowance for doubtful accounts	<b>\$ 491,305</b>	\$ 326,736
Accounts receivable % less than 30 days	<b>81 %</b>	89 %
Accounts receivable % over 90 days	<b>12 %</b>	8 %

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Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they become due.

The University manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation. As at March 31, 2024, substantially all of the University's accounts payable and accrued liabilities are due within 6 months of year-end.

The University has, if needed, an operating demand line of credit with its banker that allows the University to borrow up to \$1,000,000 (2023 - \$1,000,000) at bank prime. The credit line was unused at both 2024 and 2023. The University's credit facility interest rates are subject to fluctuations in the prime rate.

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**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**4. FINANCIAL RISK MANAGEMENT** *(continued)*

Other price risk

Other price risk is the risk that changes in financial or market conditions impair the value of the University's assets, or that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The University's investments are managed by investment managers in accordance with the University's Investment Governance Policy. The University is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes. Other price risk is not considered significant.

**5. TRUSTS UNDER ADMINISTRATION**

The University administers trust accounts on behalf of employees who are participating in income averaging plans, which are not included in the University's assets. The balance in these trusts as at March 31, 2024 was \$227,062.

**6. INVESTMENTS**

	Level	Percentage	2024	2023
Equity securities	1	61.54 %	\$ 4,200,982	\$ 3,759,060
Debt securities	1	36.34 %	2,480,625	2,299,815
Cash and cash equivalents	1	2.12 %	144,553	81,133
			<b>\$ 6,826,160</b>	<b>\$ 6,140,008</b>

The University has designated \$5,117,345 (2023 - \$4,327,447) for endowments.

**7. EMPLOYEE FUTURE BENEFITS**

a) Pension benefits

Yukon University Employees' Pension Plan is a defined-benefit pension plan, which requires the employer and the employee to make annual contributions to an employee's retirement account. Plan administrators hire an actuary to calculate the future benefits that the plan must pay an employee and the amount that the employer and employee must contribute to provide those benefits. During the year, the pension benefits paid by the pension plan were \$6,943,700 (2023 - \$5,992,500) and the employer and employee contributions to the pension plan were \$2,100,000 (2023 - \$2,246,500) and \$2,089,600 (2023 - \$2,093,900), respectively.

The pension plan has two groups of members. Group 1 is for members with a start date prior to July 1, 2013. Group 2 is for members with a start date on or after July 1, 2013. The age at which a member can retire without a reduced pension is age 60 for Group 1 and age 65 for Group 2. Effective January 1, 2024, Group 1 members were required to contribute to the plan at a rate of 9.62% on annual earnings up to the Yearly Maximum Pensionable Earnings (YMPE) plus 12.02% on annual earnings in excess of the YMPE (2023 - 9.62% on annual earnings up to the YMPE plus 12.02% on annual earnings in excess of the YMPE). Effective January 1, 2024, Group 2 members were required to contribute to the plan at a rate of 7.03% on annual earnings up to the YMPE plus 8.81% on annual earnings in excess of the YMPE (2023 - 7.28% on annual earnings up to the YMPE plus 9.06% on annual earnings in excess of the YMPE).

Assets in the pension plan are based on fair values as reported by the custodian of the funds as at March 31, 2024. No adjustment is made for contributions/payments in transit at that date.

An actuarial valuation for accounting purposes was performed as at March 31, 2024 using the projected benefits method prorated on services, based on extrapolated employee data as at June 30, 2023.

*(continues)*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

7. EMPLOYEE FUTURE BENEFITS *(continued)*

a) Pension benefits *(continued)*

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates of these future events. Key assumptions are summarized below:

	<b>2024</b>	<b>2023</b>
<u>Weighted-average assumptions for benefit costs</u>		
Discount rate	<b>6.15 %</b>	5.75 %
Expected long-term rate of return on plan assets	<b>6.15 %</b>	5.75 %
Rate of compensation increase		
Group 1:	<b>3.00 %</b>	3.00 %
Group 2:	<b>4.00 %</b>	3.40 %
Inflation rate	<b>2.00 %</b>	2.00 %
Expected average remaining service life	<b>10 years</b>	10 years
<u>Weighted-average assumptions of accrued benefit obligation</u>		
Discount rate	<b>6.20 %</b>	6.15 %
Expected long-term rate of return on plan assets	<b>6.20 %</b>	6.15 %
Rate of compensation increase		
Group 1:	<b>3.00 %</b>	3.00 %
Group 2:	<b>4.00 %</b>	3.40 %
Inflation rate	<b>2.00 %</b>	2.00 %

	<b>2024</b>	<b>2023</b>
<u>Change in accrued benefit obligation:</u>		
Accrued benefit obligation - beginning of year	<b>\$ 92,681,700</b>	\$ 95,139,500
Current service cost, net of employee contributions	<b>2,530,200</b>	2,463,700
Interest cost	<b>5,603,300</b>	5,410,900
Employee contributions	<b>2,089,600</b>	2,093,900
Benefits paid	<b>(6,943,700)</b>	(5,992,500)
Admin expenses	<b>(816,800)</b>	(637,300)
Actuarial losses/(gains)	<b>931,300</b>	(5,796,500)
Accrued benefit obligation - end of year	<b>\$ 96,075,600</b>	\$ 92,681,700

	<b>2024</b>	<b>2023</b>
<u>Change in plan assets:</u>		
Fair value of plan assets - beginning of year	<b>\$ 138,025,600</b>	\$ 141,261,000
Actual return on plan assets	<b>14,574,700</b>	(946,000)
Employer contributions	<b>2,100,000</b>	2,246,500
Employee contributions	<b>2,089,600</b>	2,093,900
Benefits paid	<b>(6,943,700)</b>	(5,992,500)
Admin expenses	<b>(816,800)</b>	(637,300)
Fair value of plan assets - end of year	<b>\$ 149,029,400</b>	\$ 138,025,600

*(continues)*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

7. EMPLOYEE FUTURE BENEFITS *(continued)*

a) Pension benefits (continued)

	<u>2024</u>	<u>2023</u>
<u>Reconciliation of accrued pension benefit asset - end of year:</u>		
Accrued benefit obligation	\$ (96,075,600)	\$ (92,681,700)
Fair value of plan assets	<u>149,029,400</u>	<u>138,025,600</u>
Pension benefit surplus	52,953,800	45,343,900
Unamortized net actuarial gains	<u>(19,050,900)</u>	<u>(15,725,500)</u>
Accrued pension benefit asset	<u>\$ 33,902,900</u>	<u>\$ 29,618,400</u>
	<u>2024</u>	<u>2023</u>
<u>Elements of defined pension plan benefit costs recognized in the year:</u>		
Current service cost	\$ 2,530,200	\$ 2,463,700
Interest cost on benefit obligation	5,603,300	5,410,900
Expected return on plan assets	(8,378,800)	(8,056,700)
Amortization of actuarial gains	<u>(1,939,200)</u>	<u>(2,847,300)</u>
Net periodic pension (income)/cost recognized	<u>\$ (2,184,500)</u>	<u>\$ (3,029,400)</u>
	<u>2024</u>	<u>2023</u>
<u>Based on fair value of plan assets held, the assets were composed of:</u>		
Equity securities	57.00 %	56.00 %
Debt securities	42.00 %	43.00 %
Other	1.00 %	1.00 %
	<u>100.00 %</u>	<u>100.00 %</u>

The net periodic pension income of \$2,184,500 (2023 - \$3,029,400) is recognized in salaries, wages and benefits in Note 16 and allocated to expenses by function on the Consolidated Statement of Operations in a manner consistent with the employee allocation to those functions.

**Actuarial valuation for funding purposes**

An actuarial valuation for funding purposes was performed as at June 30, 2023 which identified the University's required current service contributions as 100% (June 30, 2022 – 69.7% up to December 31, 2022 and 100% from January 1, 2023) of employee contributions. Under economic and demographic assumptions used in these calculations this level of University contributions, together with the employee contributions is sufficient to fund the current service costs of the pension plan benefits.

The actuarial valuation for funding purposes as at June 30, 2023 for the University had an actual surplus of \$18,144,500 (June 30, 2022 - \$29,888,600) at the measurement date on a going-concern basis and a surplus of \$11,677,600 (June 30, 2022 - \$12,830,000) if valued on the basis that the pension plan was terminated/wound up as at June 30, 2023. The solvency ratio of the pension plan was 100% as at June 30, 2023. The Government of Yukon provided a pension related contribution to the University during the year as described in Note 17. All required contributions to the pension plan have been made.

*(continues)*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

7. EMPLOYEE FUTURE BENEFITS *(continued)*

a) Pension benefits (continued)

The Pension Benefits Standards Act permits that in lieu of making special solvency payments, letters of credit can be obtained to reduce a solvency deficiency. In May 2011, for a solvency deficiency that existed at the time, the University acquired a letter of credit for the pension plan. Although the pension plan is no longer in a solvency deficiency, the University still has the letter of credit. The face value of the letter of credit is \$22,060,699 (2023 - \$22,060,699).

The Government of Yukon has issued letters to a bank guaranteeing that, should there be a requirement to draw upon the letter of credit, the Government of Yukon will provide the necessary support to address any resulting debt, interest and costs that may be required under the federal pension legislation. At March 2024, the guarantee remains in effect to December 31, 2024.

A new actuarial valuation for funding purposes will be prepared as at June 30, 2024 and will be filed with the regulator prior to December 31, 2024.

b) Other non-pension benefits

The non-pension benefit plan is not funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation. The benefits include severance, non-vesting but accumulating sick leave, special leave and other outstanding leave entitlements and will be paid from future sources of revenue.

The actuarial valuation of the accrued benefit liability is:

	<u>2024</u>	<u>2023</u>
Accrued benefit obligation, end of year	\$ 6,461,900	\$ 5,944,800
Unamortized actuarial gain	<u>1,545,110</u>	<u>1,776,810</u>
Actuarially determined obligation, end of year	8,007,010	7,721,610
Less: Current portion included in vacation leave and employee future benefits <i>(Note 12)</i>	<u>(1,160,500)</u>	<u>(1,105,200)</u>
Non-current portion of obligation, end of year	<u>\$ 6,846,510</u>	<u>\$ 6,616,410</u>

*(continues)*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

7. EMPLOYEE FUTURE BENEFITS *(continued)*

b) Other non-pension benefits (continued)

The annual benefit plan cost and change in accrued benefit liability are as follows:

	<u>2024</u>	<u>2023</u>
Actuarially determined obligation, beginning of year	\$ 7,721,610	\$ 7,543,010
Add: Annual benefit plan cost:		
Current service cost	778,600	769,600
Interest on accrued benefit obligation	296,200	235,000
Amortization of net actuarial gain	(177,700)	(157,200)
Total annual benefit plan cost	897,100	847,400
Accrued benefit obligation before benefits paid by the University	8,618,710	8,390,410
Less: Benefits paid by the University	(611,700)	(668,800)
Actuarially determined obligation, end of year	8,007,010	7,721,610
Less: Current portion included in vacation leave and employee future benefits	(1,160,500)	(1,105,200)
Non-current portion of obligation, end of year	<u>\$ 6,846,510</u>	<u>\$ 6,616,410</u>

The significant actuarial assumptions adopted in measuring the University's accrued benefit obligation are as follows:

	<u>2024</u>	<u>2023</u>
Weighted average assumptions for benefit costs:		
Discount rate	4.80 %	3.80 %
Rate of compensation increase for 10 years and thereafter		
Group 1:	3.00 %	3.00 %
Group 2:	4.00 %	3.40 %
Expected average remaining service life		10 years
Weighted average assumptions for accrued benefit obligation:		
Discount rate	4.85 %	4.80 %
Rate of compensation increase for 10 years and thereafter		
Group 1:	3.00 %	3.00 %
Group 2:	4.00 %	3.40 %
Expected average remaining service life	10 years	10 years

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
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**8. CAPITAL ASSETS**

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Leasehold improvements	\$ 7,090,790	\$ 3,664,752	\$ 3,426,038	\$ 3,788,047
Equipment general	5,659,843	3,116,000	2,543,843	1,860,204
Vehicles	1,036,113	653,324	382,789	464,136
Equipment EDP	2,019,698	1,350,480	669,218	591,647
Furniture and fixtures	555,540	350,719	204,821	228,874
Work in progress	3,383,600	-	3,383,600	2,645,554
Mobile trailers	1,873,300	927,466	945,834	1,010,631
Works of art	103,448	-	103,448	103,448
	<u>\$ 21,722,332</u>	<u>\$ 10,062,741</u>	<u>\$ 11,659,591</u>	<u>\$ 10,692,541</u>

Work in progress pertains to capitalizable costs incurred by the University for signage and the new Science Building - Polaris. During the year University continued with planning and design for the Polaris building and the costs incurred for the year ended 31 March 2024 amounted to \$738,046 (2023 - \$1,870,057).

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2024	2023
Payroll payable	\$ 2,488,721	\$ 1,698,110
Trades accounts payable	1,850,311	2,576,439
Accrued accounts payable	1,161,366	1,228,148
Student deposits	1,041,137	831,154
Other payables	398,675	422,974
	<u>\$ 6,940,210</u>	<u>\$ 6,756,825</u>

**10. DEFERRED REVENUE**

	Contracts	Tuition	2024	2023
Balance, beginning of year	\$ 998,176	\$ 35,826	\$ 1,034,002	\$ 197,808
Additions	4,033,200	2,883,574	6,916,774	6,701,410
Revenue recognized	(4,330,677)	(2,860,142)	(7,190,819)	(5,865,216)
Balance, end of year	<u>\$ 700,699</u>	<u>\$ 59,258</u>	<u>\$ 759,957</u>	<u>\$ 1,034,002</u>

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**11. DEFERRED CONTRIBUTIONS**

	Government of Yukon Contributions	Other contributions	Donations and allocated investment income	2024	2023
Balance, beginning of year	\$ 427,402	\$ 8,312,303	\$ 1,349,884	<b>\$ 10,089,589</b>	\$ 8,205,905
Additions	34,876,032	10,232,365	281,882	<b>45,390,279</b>	44,466,077
Revenue recognized	(34,146,640)	(10,989,216)	(259,577)	<b>(45,395,433)</b>	(42,748,418)
Investment income	-	-	275,497	<b>275,497</b>	166,025
Transfer from unrestricted net assets	-	-	250,000	<b>250,000</b>	-
Transfer to endowments	-	-	(484,389)	<b>(484,389)</b>	-
Balance, end of year	<b>\$ 1,156,794</b>	<b>\$ 7,555,452</b>	<b>\$ 1,413,297</b>	<b>\$ 10,125,543</b>	<b>\$ 10,089,589</b>

Government of Yukon contributions (Note 17) includes services received without charge of \$5,222,276 (2023 - \$7,108,904) in addition to \$34,146,640 (2023 - \$32,958,984) recognized from deferred contributions, for a total of \$39,368,916 (2023 - \$40,067,888).

Other contributions is comprised primarily of amounts from the Government of Canada, and also amounts from First Nations and other organizations. Donations revenue is recognized on the Consolidated Statement of Operations within student assistance/scholarships.

**12. VACATION LEAVE AND EMPLOYEE FUTURE BENEFITS**

	2024	2023
Vacation leave liability	<b>\$ 2,158,527</b>	\$ 2,635,647
Current portion of other employee future benefits	<b>1,160,500</b>	1,105,200
Long service leave liability	<b>158,525</b>	164,952
Other	-	249,377
Compensatory pay liability	-	39,610
	<b>\$ 3,477,552</b>	<b>\$ 4,194,786</b>

**13. LOAN PAYABLE**

The University has entered into an agreement with a donor for a non-interest bearing loan that is invested as deemed appropriate by the University. Income from investment is added to a research endowment. The principal will remain invested until it has been gifted to the University at which time it will be added to the research endowment and managed under the terms of the endowment agreement. While the loan is repayable within 90 days on demand, the loan may be converted to a gift at any time by the donor.



**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**14. DEFERRED CAPITAL CONTRIBUTIONS**

The changes in the deferred capital contributions balance are as follows:

	<b>2024</b>	<b>2023</b>
Balance, beginning of year	\$ 6,770,142	\$ 5,323,007
Restricted government contributions	1,446,971	1,900,023
Amount amortized to revenue	<u>(475,912)</u>	<u>(452,888)</u>
Balance, end of year	<u>\$ 7,741,201</u>	<u>\$ 6,770,142</u>

Deferred Capital Contributions include funding for work in progress related to the new Science Building - Polaris \$2,608,103 (2023 - \$1,870,057), Leasehold improvements \$2,563,525 (2023 - \$2,767,441), mobile trailers \$957,365 (2023 - \$1,063,739) and furniture and fixtures and general equipment \$1,612,208 (2023 - \$1,068,905).

**15. EXTERNALLY RESTRICTED FOR ENDOWMENTS**

	<b>2024</b>	<b>2023</b>
Endowment balance, beginning of year	\$ 4,327,447	\$ 4,255,242
Endowment contributions	5,165	46,602
Disbursements from endowments	(4,300)	(41,786)
Transfer from deferred contributions	484,389	-
Net investment income	<u>304,644</u>	<u>67,389</u>
Endowment balance, end of year	<u>\$ 5,117,345</u>	<u>\$ 4,327,447</u>

**16. EXPENDITURES BY OBJECT**

	<b>2024</b>	<b>2023</b>
Salaries, wages and benefits	\$ 34,932,550	\$ 30,254,520
Contract services	6,982,883	5,806,519
Rental of facilities and equipment	3,424,624	5,102,441
Utilities and communications	2,898,335	2,924,976
Material and supplies	2,787,063	2,699,090
Travel	1,673,707	1,339,400
Amortization of capital assets	1,429,976	1,188,681
Licenses, permits, and memberships	828,704	782,252
Cost of sales and ancillary services	699,141	532,358
Promotion, events and advertising	570,133	492,286
Other	503,777	277,032
Bank fees and credit card commissions	291,548	260,432
Student assistance/scholarships	220,477	94,196
Books and subscriptions	183,182	125,429
Postage and freight	<u>67,475</u>	<u>89,802</u>
	<u>\$ 57,493,575</u>	<u>\$ 51,969,414</u>

Fundraising expenses totaling \$327,669 (2023 - \$263,131) are included in salaries, wages and benefits, contract services, material and supplies, and promotion, events, and advertising.

*(continues)*

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**16. EXPENDITURES BY OBJECT** *(continued)*

Services received without charge included in above:

	<b>2024</b>	<b>2023</b>
Rental of facilities and equipment	<b>\$ 2,888,267</b>	\$ 4,673,727
Utilities and communication	<b>2,334,010</b>	2,435,177
	<b>\$ 5,222,277</b>	\$ 7,108,904

**17. GOVERNMENT OF YUKON CONTRIBUTIONS**

	<b>2024</b>	<b>2023</b>
Operating contributions	<b>\$ 26,369,261</b>	\$ 24,407,288
Other contributions	<b>7,657,895</b>	8,432,212
Services received without charge (Note 16)	<b>5,222,276</b>	7,108,904
Pension funding	<b>119,484</b>	119,484
	<b>\$ 39,368,916</b>	\$ 40,067,888

A significant portion of the University's income is received from the Government of Yukon. For the year ended March 31, 2024, total Government of Yukon contributions made up 64% of total revenues (2023 - 65%). For the year ended March 31, 2024, the University received \$119,484 (2023 - \$119,484) for pension letter of credit costs.

**18. MISCELLANEOUS INCOME**

	<b>2024</b>	<b>2023</b>
Other miscellaneous revenue	<b>\$ 413,177</b>	\$ 259,002
Salary, travel and other expense recovery	<b>307,984</b>	330,066
General student fees	<b>299,114</b>	236,248
Facilities and equipment rental	<b>152,143</b>	78,016
Computer lab usage fees	<b>132,574</b>	133,383
	<b>\$ 1,304,992</b>	\$ 1,036,715

**19. RELATED PARTY TRANSACTIONS**

The University enters into transactions with related entities in the normal course of business.

In addition to those related party transactions disclosed in Note 17, the University received funds from the Government of Yukon for student training allowances amounting to \$381,832 (2023 - \$363,516). Included in the amortization of deferred capital contributions on the Consolidated Statement of Operations is \$305,030 (2023 - \$306,493) related to the Government of Yukon. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

At March 31, 2024 there was \$58,849 (2023 - \$256,724) of accounts payable and accrued liabilities and \$936,517 (2023 - \$4,405,440) of accounts receivable related to the Government of Yukon. At March 31, 2024 there was \$1,156,794 (2023 - \$427,402) of deferred contributions and \$3,781,227 (2023 - \$4,056,291) of deferred capital contributions related to the Government of Yukon. The University has a lease agreement with the Government of Yukon for a building and land lease which expired June 2022. The University incurred lease payments of \$53,089 (2023 - \$48,665).

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**20. CONTRACTUAL RIGHTS**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The University's contractual rights arise because of contracts entered into for undertaking specific programs and projects in the normal course of business. The following table summarizes the contractual rights of the University:

	Government of Canada	Government of Yukon	Other	Total
2025	\$ 3,559,827	\$ 87,679	\$ 6,222,028	\$ <b>9,869,534</b>
2026	2,080,003	-	4,687,171	<b>6,767,174</b>
2027	412,700	-	1,306,594	<b>1,719,294</b>
Thereafter	330,000	-	2,779,783	<b>3,109,783</b>
	<b>\$ 6,382,530</b>	<b>\$ 87,679</b>	<b>\$ 14,995,576</b>	<b>\$ 21,465,785</b>

Government of Canada contractual rights consist of funds to be received for the Innovation and Entrepreneurship Accelerator, the Industrial Research Chair – Northern Energy Innovation, Support to UArctic, Global Arctic Leadership Initiative program, Mobilizing Northern Research Leadership and various other programs and initiatives such as Enhancing Yukon Trade Corridor Resilience to Northern Geohazards, Gender Based Violence Research Initiative, Virtual Geology Project, and Mayo Makerspace.

Government of Yukon contractual rights consist of funds to be received for the Yukon First Nations 101 Online Training Course, and various programs.

Other contractual rights consist of funds to be received for student support, and Yukon Research Centre programs and initiatives such as accelerating community energy transformation (supporting Canada's Green House Gas mitigation goals) and funds focused on seasonal storage of renewable energy, Mastercard Foundation, Northern Vision Development Research Chair, and Yukon Collaborative Indigenous Teacher Education Initiative.

**YUKON UNIVERSITY**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2024**

**21. CONTRACTUAL OBLIGATIONS**

The University has operating leases and maintenance service agreements for classroom space, telecommunications, the information systems and course curriculum and is committed to basic payments as follows:

	Maintenance Services	Facility Leases	Telecommunication, Course curriculum and Other Contracts	Total
2025	\$ 79,563	\$ 61,224	\$ 4,303,688	\$ <b>4,444,475</b>
2026	4,042	51,224	1,698,480	<b>1,753,746</b>
2027	-	12,806	812,987	<b>825,793</b>
Thereafter	-	-	286,249	<b>286,249</b>
	<b>\$ 83,605</b>	<b>\$ 125,254</b>	<b>\$ 7,101,404</b>	<b>\$ 7,310,263</b>

Capital Assets

The land and buildings at Ayamdigut Campus and some community campuses are owned by the Government of Yukon and leased to the University at no charge. The Government of Yukon is responsible for major maintenance and upkeep of the buildings and grounds, and the University is responsible for minor interior maintenance and repairs.

**22. CONTINGENCIES**

In the normal course of operation, the University is subject to legal claims and possible claims. While the outcome of legal claims or possible claims is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually or in the aggregate, the probable ultimate resolution of all legal claims and possible claims will not have a material financial impact on the University's financial position, results of its operations or its cash flows.

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COMPENSATION FUND (YUKON)

FINANCIAL STATEMENTS

December 31, 2023

(audited)

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# MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis provides further insight into the financial performance of the Compensation Fund (“the Fund”), as managed by the Workers’ Safety and Compensation Board (“the board”), for the year ended December 31, 2023. This section provides management’s perspective on our financial results and position for the year.

## Forward-looking information

Any forward-looking information in this document represent the views of management. Forward-looking information is subject to many risks and uncertainties, and may contain significant assumptions about the future. This information is presented to help stakeholders understand the Fund’s financial position, priorities and anticipated financial performance.

Risk and uncertainties about future assumptions include, but are not limited to: the changing financial markets, the industry mix of the Yukon workforce, the general economy, legislation, accounting standards, appeals and court decisions, and other known or unknown risks. Readers are cautioned not to place undue reliance on forward-looking information as actual results may differ materially from those expressed or implied.

## Basis of reporting

The audited financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

## Significant accounting changes in 2023

Effective January 1, 2023, the board adopted a new financial reporting standard (“IFRS 17”) which became mandatory for organizations in the insurance industry, including all workers’ compensation boards across Canada. The new standard, which requires the Fund to measure its insurance contract liability using a discount rate based on market rates at year-end and requires other significant changes to presentation and disclosure in the financial statements, provides insights into an insurer’s financial health at a current point in time. This is a significant accounting change for the board, with notably different financial results, and in a different financial statement format, compared to the 2022 Annual Report. It does not change the underlying business strategy of the board.

The most significant differences from previous years is how we determine the value of the insurance contract liability (formerly known as benefits liability). Under IFRS 17, the liability for incurred claims within the insurance contract liability is valued using a point-in-time market-based interest rate. This change in valuation of the liability for incurred claims can cause significant year-to-year fluctuations of the insurance contract liability. This differs from the previous accounting standard, under which the benefits liability was valued using an interest rate based on the board’s long-term expected rate of investment return. The

previous rate of return was revised only periodically in response to changes in long-term trends and normally resulted in smaller fluctuations to the benefits liability.

The board has also adopted IFRS 9, *Financial Instruments* replacing IAS 39, *Financial Instruments Recognition and Measurement*, effective January 1, 2023. The adoption of IFRS 9 has resulted in no change in assets, liabilities and income.

## The implementation of IFRS 17

IFRS 17 is the new financial reporting standard of accounting for insurance contracts. The new standard replaces IFRS 4, which had been in place since 2004. See Note 3 of the financial statements for further detail on the accounting policies we adopted under IFRS 17.

The accounting policies based on IFRS 17 had to be applied on a retrospective basis, as if these accounting policies had always been in place. Our consolidated financial statements have been restated at January 1, 2022, (the date of transition to IFRS 17), and at December 31, 2022.



## The IFRS versus funding basis of accounting

While the change to IFRS 17 significantly affects our reported IFRS-based financial results, it does not affect how the board operates, the funding position, the investment portfolio, the assessment rates employers pay or workers’ benefits in any way.

This is because we manage our funding position using a “funding basis of accounting,” a method approved by our Board of Directors and the method we used prior to the adoption of IFRS 17. This method, using the discount rate based on the long-term expected rate of return, reflects a more long-term financial strategy providing the Fund with more stability in its funding management. The funding basis ensures a long-term perspective on the sufficiency of funding to sustain benefits for injured workers and their dependants, while reducing the volatility of financial results used in setting assessment rates for employers.

Note that the financial results from the unaudited funding basis financial statements can be materially different from the results based on IFRS in any given year due to the reasons discussed above.



## Financial position (funded vs IFRS)

(\$ thousands)	Funding basis		IFRS basis	
	2023	2022	2023	2022 (restated to IFRS 17 basis)*
Total assets	280,504	246,720	277,633	243,621
Total liabilities	197,651	187,688	208,187	190,048
Equity	82,853	59,032	69,446	53,573
Assets/liabilities	142%	131%	133%	128%

## Comparison of benefits liability (funding basis) to insurance contract liability (IFRS)

(\$ thousands)	Funding basis		IFRS basis	
	2023	2022	2023	2022
Benefits liability/ insurance contract liability	185,918	178,010	199,864	182,534

Under IFRS 17, all insurance-contract-related balances, including assessments receivable and assessments refundable, are aggregated and presented as part of the insurance contract liability, disclosed in Note 11. Under the funding basis, assessments receivable remain presented as assets and assessments refundable are included in accounts payable. The main factor that causes the difference between the financial position of the Fund when reporting it under the funding basis versus IFRS, is the use of different discount rates to calculate the benefits liability/insurance contract liability (IFRS). To clarify, IFRS now refers to the benefits liability as insurance contract liability.

Under the funding basis, the discount rate is based on the anticipated returns of the underlying assets of the Fund, which takes a longer term view and tends to provide more stability when measuring the benefits liability over time. IFRS uses a market rate based on a select cohort of long-term bonds that is calculated at a point in time and is not based on the expected long-term rates of return on the Fund's investments. The IFRS calculation for the liabilities for incurred claims can be much more volatile especially when interest rates change quickly.

## Equity reconciliation — funded vs IFRS

(\$ thousands)	2023	2022
Equity funding basis	82,853	59,032
Less benefit liability/insurance contract liability – difference in funded vs IFRS	13,946	4,524
Less receivables – IFRS reclassification to insurance contract liability	2,871	3,098
Add payables – IFRS reclassification to insurance contract liability	3,410	2,161
Equity IFRS 17	69,446	53,573

The above reconciliation illustrates the differences between the equity on the financial position for the funding basis versus IFRS.

Again the main reconciling item is the difference in the benefits liability (funding basis) versus the insurance contract liability (under IFRS) due to the different discount rates. As noted above, the other reconciling items involve reclassifications of accounts receivable and accounts payable related to insurance contracts. These items are shown separately on the Funding Basis Financial Position, but are reclassified under the IFRS financial position and included in the insurance contract liability.

## Change in the presentation of IFRS financial statements

IFRS 17 fundamentally changes how assets, liabilities and earnings related to insurance are presented in our published financial statements. On the statement of financial position, all assets and liabilities related to the insurance contract are grouped together and presented as “insurance contract liability.” On the Statement of Operations and Comprehensive Income, insurance finance income or loss and net investment income or loss are presented separately from insurance service result. Further information on the IFRS insurance contract liability and expenses are provided in the notes to the financial statements.

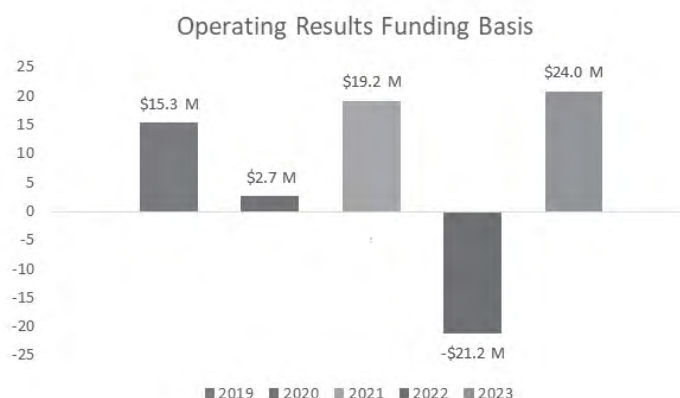
## How to read the Management Discussion and Analysis

As funding-basis financial results are used to manage the board's financial position, unless otherwise noted, the board's financial position and results are discussed on the funding basis here in the Management Discussion and Analysis.

Note that some asset and liability balances for prior years, as well as some income and expenses, will not match with the 2023 audited statements due to the transition to IFRS 17 (see Note 3).

## Operating results

In 2023, the Fund, on the funding basis (unaudited), incurred an operating surplus of \$24.0 million versus a \$21.2 million loss in 2022. This large change is mainly a result of incurring a net gain of \$29.6 million in 2023 versus net investment loss of \$24.0 million in 2022 on the funding basis.



Total comprehensive income (loss), which includes the actuarial gain or loss on post-employment benefits, was \$23.8 million in 2023 versus a loss of \$21.1 million in 2022. There were no funding policy surplus distributions in 2023 or 2022.

In 2023, under IFRS, the Fund had a net surplus of \$16.1 million (2022- \$7.8 million) and total comprehensive income of \$15.9 million (2022- \$7.8 million). Under IFRS, the discount resulted in higher total expenses in 2023 compared to the funding basis total expenses.

Again, the main difference in total comprehensive income (loss) is due to the large swing in investment income.

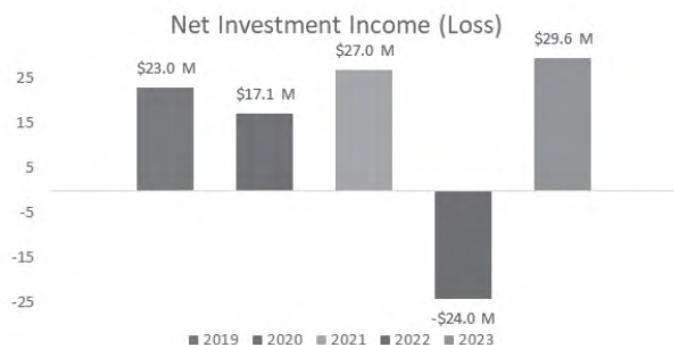
## Revenues

The Fund's revenue and income, which includes net investment income or loss, totalled \$67.8 million in 2023 versus \$13.4 million in 2022. The change in overall revenue was mainly due to the increase in net investment income in 2023.

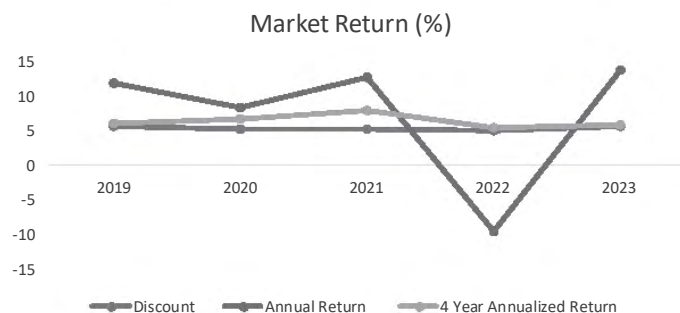
The revenue figures are no longer grouped together under IFRS and two of them have different titles:

- Insurance revenue under IFRS was previously called "assessment revenue".
- Fines and miscellaneous income under IFRS was previously called "Recoveries and other receipts".

The net investment income in 2023 was \$29.6 million versus net investment loss of \$24.0 million in 2022, an increase of \$53.6 million.



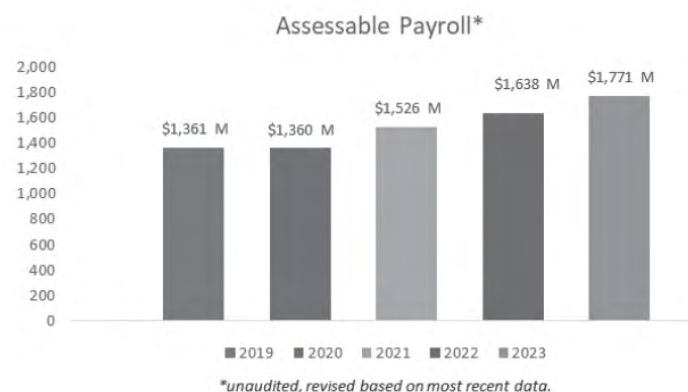
In 2023, the Fund's investments increased due to strong equity markets and solid fixed income returns, ending the year with an overall return of 13.7%. The four-year annualized return increased from 5.5% to 5.9%. As of December 31, 2023, the investment portfolio's asset mix was 45% fixed income and 55% equities. Bond values rebounded in 2023 after having one of the worst years on record last year (-10.7%), posting a return of 7%. Equities had a very strong year and returned 19% for the year.



Assessment revenue (or insurance revenue) in 2023 was \$36.8 million versus \$35.4 million in 2022, marking a 4.2% increase. This increase was mainly due to an overall increase in assessable payroll and an increase in the maximum annual earnings (MAE). The average collected assessment premium rate (per \$100 of insurable earnings) has remained relatively stable year over year, as in 2023 it was \$2.08 versus \$2.15 in 2022.



The increase in assessable payroll (8%) was due to an overall increase in economic activity and an increase in the MAE in 2023. The MAE went from \$94,320 to \$98,093 due to indexing that is based on Consumer Price Index (CPI). The number of employers remained unchanged at 4,036.



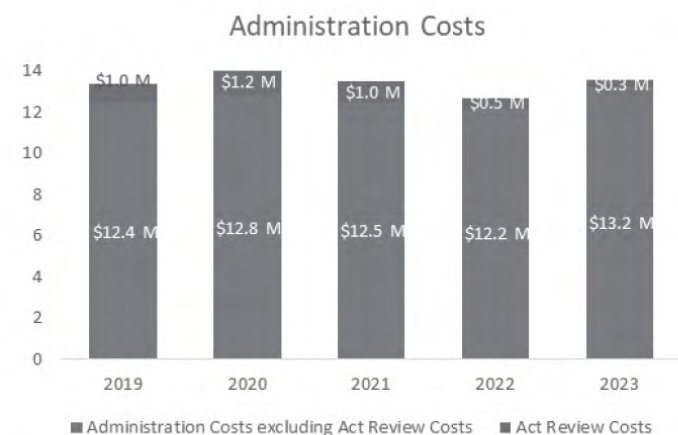
## Expenses

IFRS expenses are shown under three main categories as opposed to multiple expenses under the funding basis. As noted above, the IFRS discount rate resulted in higher total expenses as compared to the funding basis total expenses. The three new expenses categories under IFRS are:

- Insurance service expense (see Note 17 for details) of \$33.0 million in 2023 (2022- \$23.6 million)
- Insurance finance income (loss) (Note 17) of (\$16.0 million) loss in 2023 (2022 – \$21.2 million income)
- Other general and administration expenses (Note 16) of \$2.7 million (2022- \$3.1 million).



Total claims expenses for funding basis were \$29.4 million in 2023 versus \$20.9 million in 2022. The increase was due to a number of factors including an increase in 2023 related to prior years' injuries and the fact that the 2022 numbers were lower due to a discount rate adjustment during that year. Administration costs for funding basis increased to \$13.2 million in 2023 from \$12.7 million in 2022. This increase was mainly related to the settlement of the collective agreement and accompanying retroactive increases to board employees.



## Balance sheet

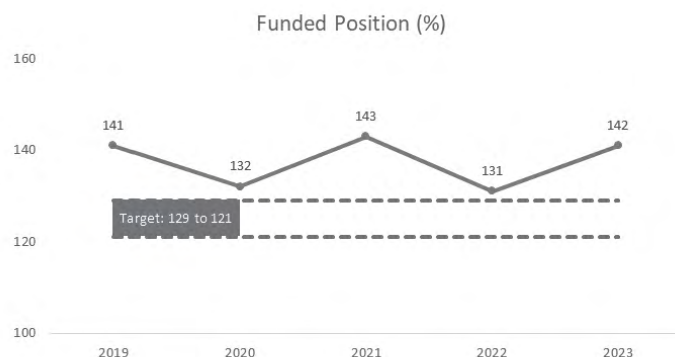
At the end of each fiscal year, the board's actuary calculates the benefits liability for all injuries that have occurred to date. This liability represents the actuarial present value of all future benefits and related administration costs. As at December 31, 2023, this liability under the funding basis was \$186 million, an increase of 5% over the previous year. Under IFRS this liability was \$199.9 million in 2023 (2022 – \$182.5 million).

The total assets of the Fund on the funding basis and under IFRS increased by \$34 million, or 14%, in 2023. This increase was mainly attributable to the increase in the investments driven by strong returns in equities and solid returns in the bond portfolio.

## Funded position

The funding ratio is calculated by dividing the total assets by the total liabilities. Like a pension plan, the Fund must have adequate assets to ensure that benefits can be provided to injured workers both now and well into the future. Reserves are necessary to ensure that the board can minimize rate volatility, protect the Fund from unforeseen catastrophic events and preserve capital during large downturns in financial markets.

As of December 31, 2023, the funding ratio was 142%, up from 131% in 2022, due to strong investment returns in 2023.



## Risk management

In order to identify and manage the many risks that the organization faces, an enterprise risk management system has been implemented. Its purpose is to identify risks that could impede the organization's ability to carry out its mandate of preventing injuries and helping injured workers and their families. Risks are identified and ranked by probability and impact. Risk owners are assigned, and mitigation measures are identified, implemented and monitored throughout the year. These measures are reviewed through the internal audit process to assure the organization that measures are functioning as anticipated. Annually, management formally reviews the risks and corresponding mitigation strategies with the Board of Directors.

The top risks for 2023 were identified as outdated legislation (regulations), the disruption of operations by cyber-attacks and the inability to respond to changing stakeholder needs in a rapidly changing environment. Ongoing mitigation of these risks include the continued work related to implementing of the *Workers' Safety and Compensation Act* which was effective in July 2022, information technology security enhancements and continued commitment to business process improvements.

### **Economic review**

At the beginning of 2023, the prevailing view was that economies would experience a recession due to the aggressive interest rate increases that had occurred over the past two years. As the year developed, consensus shifted to a soft-landing scenario and it appeared that the inflation emergency was over and increasing interest rates should end. In the Yukon, the economy has been relatively good, the population is growing and employment is strong. These factors have resulted in rising demand for our services, particularly on the prevention front.

Overall the number of claims has remained relatively unchanged. A small cohort of claims, however, is complex and challenging to manage. This group includes claims related to psychological injuries, which tend to be very long in duration. The board continues to work with workers, service providers and employers in managing these claims to enable workers to re-enter the workforce in a safe and timely manner.

The board continues to look at how it can leverage technology to improve service quality, security and efficiency. Over the past year, the organization focused on creating online forms and this effort to improve service delivery through technology will continue for the foreseeable future.

### **Future outlook**

Resilience will remain important for the board moving forward. Challenges will emerge rapidly and will be complex and uncertain: a strong financial basis is paramount for addressing them. This strong financial base continues to provide employers with relatively stable rates and ensures that future obligations to injured workers will be met. It also allows the board to invest in enhancing client experience and improving return-to-work outcomes through investments in service, collaboration and engagement. Finally, from a prevention standpoint, it also allows the organization to allocate resources to improve and monitor the safety of Yukon workplaces.



## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The management of the Workers' Safety and Compensation Board - Yukon (the "Board") is responsible for establishing and maintaining a system of books, records, internal controls and management practices designed to provide reasonable assurance that reliable financial information is produced on a timely basis; Compensation Fund assets are safeguarded and controlled; transactions of the Compensation Fund are in accordance with relevant legislation, regulations and Board policies; the Board's resources are managed efficiently and economically and the operations of the Board are carried out effectively.

Management is also responsible for the integrity and objectivity of the financial statements of the Compensation Fund, including any amounts that must of necessity be based on management's best estimates, experience and judgement. Management is responsible for preparing the accompanying financial statements in accordance with International Financial Reporting Standards. Other financial information included in the Annual Report is consistent with these financial statements.

Members of the Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board of Directors exercises its responsibilities through the Finance, Investment, and Audit Committee (the "Committee"). The Committee meets with management and the external auditors on a regular basis. The Committee has reviewed the financial statements and has submitted its report to the Board of Directors, which has approved these financial statements.

The Auditor General of Canada conducts an independent audit for the purpose of expressing her opinion on the financial statements. She also considers whether the transactions that come to her notice in the course of the audit are, in all significant respects, in accordance with specified legislation.

Telus Health, an independent consulting actuarial firm, has completed an actuarial valuation of the benefits liability of the Compensation Fund included in the financial statements and reported thereon in accordance with accepted actuarial practice.



Kurt Dieckmann, MBA, CRSP  
President and Chief Executive Officer



Jim Stephens, CPA, CMA, CGA  
Vice President, Operations and Chief Financial Officer

April 26, 2024

## Actuarial Statement of Opinion

I have completed the IFRS17 actuarial valuation of the insurance contract liability of the Yukon Workers' Compensation Health and Safety Board (the "Board") as at December 31, 2023 (the "valuation date"). Details of the data, actuarial assumptions, valuation methods and results are included in the actuarial valuation report as at the valuation date, of which this statement of opinion forms part. In my opinion:

1. The data on which the valuation is based were supplied by the board in accordance with specifications provided by us. We applied such checks of reasonableness of the data as we considered appropriate and have concluded that the data are sufficient and reliable for the purpose of the valuation.
2. The actuarial assumptions adopted in computing the liability are adequate and appropriate for the purpose of the valuation.
3. The methods used are appropriate for the purpose of the valuation and are in accordance with accepted actuarial practice for workers' compensation organizations in Canada.
4. The estimate of the actuarial liabilities as at the valuation date is \$199,324,000. This amount consists of \$199,070,000 for the liability and \$254,000 for the Other Provisional Pensioners Occupation Disease & Presumptive Firefighter liability. This includes provisions for benefits expected to be paid after the valuation date for claims that occurred on or before the valuation date. A provision for future claims arising from long latency occupational diseases is included in this valuation. This liability includes future administrative expenses for all benefits, with the exception of the Retirement benefit. It does not include any accrued liability for claims arising from self-insured accounts.
5. The liability as at the valuation date for Retirement contributions and interest already set aside by the board up to the valuation date for purposes of providing pension benefits to injured workers was obtained from the board's finance division and is included in item 4 above.
6. The amount of the actuarial liabilities makes appropriate provision for all personal injury compensation obligations given the plan's accounting.
7. This report has been prepared, and my opinions given, in accordance with accepted actuarial practice in Canada.
8. The valuation is based on the provisions of the Workers' Safety and Compensation Act and on the board's policies and practices in effect on the valuation date.



Sekayi Campbell, F.C.I.A.

*This report has been peer reviewed by Crispina Caballero, F.C.I.A.*



## INDEPENDENT AUDITOR'S REPORT

To the Workers' Safety and Compensation Board, board of directors and Minister responsible for the Compensation Fund

### *Opinion*

We have audited the financial statements of the Compensation Fund, which comprise the statement of financial position as at 31 December 2023, and the statement of operations and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Compensation Fund as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### *Basis for Opinion*

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

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the Workers' Safety and Compensation Board's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

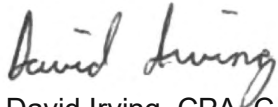
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Compensation Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Compensation Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Compensation Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



David Irving, CPA, CA  
Principal  
for the Auditor General of Canada

Edmonton, Canada  
26 April 2024

## Compensation Fund

### Statement of Financial Position

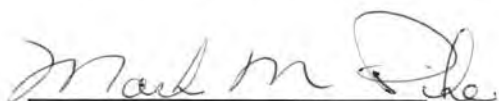
As at (in thousands of Canadian dollars)

	December 31, 2023	December 31, 2022 (Restated - Note 3)	January 1, 2022 (Restated - Note 3)
<b>Assets</b>			
Cash	\$ 8,943	\$ 8,898	\$ 7,008
Accounts receivable (Note 6)	240	328	216
Prepaid expenses	509	415	310
Investments (Note 7)	252,813	221,363	244,798
Property and equipment (Note 8)	12,141	10,123	9,992
Intangible assets (Note 9)	2,987	2,494	3,067
<b>Total assets</b>	<b>\$ 277,633</b>	<b>\$ 243,621</b>	<b>\$ 265,391</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 2,583	\$ 1,970	\$ 2,832
Surplus distributions payable (Note 13)	-	-	22
Other provisions (Note 10)	1,881	1,859	1,877
Insurance contract liability (Note 11)	199,864	182,534	210,999
Employee benefits (Note 12)	3,859	3,685	3,927
<b>Total liabilities</b>	<b>208,187</b>	<b>190,048</b>	<b>219,657</b>
<b>Equity</b>	<b>69,446</b>	<b>53,573</b>	<b>45,734</b>
<b>Total liabilities and equity</b>	<b>\$ 277,633</b>	<b>\$ 243,621</b>	<b>\$ 265,391</b>

Commitments and Contingencies (Notes 15 and 18)

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

Approved by the Workers' Safety and Compensation Board



Mark Pike, Chair

## Compensation Fund

### Statement of Operations and Comprehensive Income

For the year ended December 31 (in thousands of Canadian dollars)

	2023	2022
		(Restated - Note 3)
<b>Insurance Revenue and Expenses</b>		
Insurance revenue	\$ 36,846	\$ 36,299
Insurance service expense (Note 17)	33,007	23,638
Insurance service result	3,839	12,661
Net investment income (loss) (Note 7)	29,614	(24,003)
Insurance finance income (loss) (Note 17)	(16,002)	21,182
<b>Net insurance financial result</b>	<b>17,451</b>	<b>9,840</b>
<b>Other income and expenses</b>		
Fines and miscellaneous income	1,304	1,051
Other general and administration expenses (Note 16)	(2,679)	(3,134)
<b>Total other income and expenses</b>	<b>(1,375)</b>	<b>(2,083)</b>
<b>Net surplus</b>	<b>\$ 16,076</b>	<b>\$ 7,757</b>
<b>Other comprehensive income</b>		
All items presented in other comprehensive income will not be reclassified to net (deficit) surplus in subsequent periods:		
Actuarial (loss) gain on post-employment benefits (Note 12)	(203)	82
<b>Total comprehensive income</b>	<b>\$ 15,873</b>	<b>\$ 7,839</b>

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

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## Compensation Fund

### Statement of Changes in Equity

(in thousands of Canadian dollars)

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	Total (Restated-Note 3)
<b>Balance at January 1, 2022</b>	<b>45,734</b>
Net surplus for 2022	7,757
Other comprehensive gain	82
Total comprehensive income	7,839
<b>Balance at December 31, 2022</b>	<b>53,573</b>
Net surplus for 2023	16,076
Other comprehensive loss	(203)
Total comprehensive income for 2023	15,873
<b>Balance at December 31, 2023</b>	<b>69,446</b>

*The accompanying notes are an integral part of these financial statements*

## Compensation Fund

### Statement of Cash Flows

For the year ended December 31 (in thousands of Canadian dollars)

	2023	2022
		(Restated - Note 3)
<b>Operating activities</b>		
Cash received from:		
Employers, for insurance revenue	\$ 38,323	\$ 36,186
Investment revenue - interest	3,301	2,736
Investment revenue - dividends	2,916	2,658
Fines and miscellaneous income	1,304	1,051
	45,844	42,631
Cash paid:		
To employers, for surplus distributions	-	(22)
For insurance service expense	(32,066)	(29,514)
For other general and administration expenses	(2,383)	(4,123)
For investment fees	(930)	(741)
	(35,379)	(34,400)
<b>Total cash provided by (used for) operating activities</b>	<b>10,465</b>	<b>8,231</b>
<b>Investing activities</b>		
Net (purchases) sale of investments	(7,124)	(5,221)
Purchases of property and equipment	(2,258)	(665)
Purchases of intangible assets	(1,038)	(455)
<b>Total cash (used for) provided by investing activities</b>	<b>(10,420)</b>	<b>(6,341)</b>
<b>Net increase in cash</b>	<b>45</b>	<b>1,890</b>
<b>Cash, beginning of year</b>	<b>8,898</b>	<b>7,008</b>
<b>Cash, end of year</b>	<b>\$ 8,943</b>	<b>\$ 8,898</b>

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



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 1. Reporting Entity

The Compensation Fund (the "Fund") is continued by the *Workers' Safety and Compensation Act* (the "Act"). This new Act was passed on December 2, 2021 and came into effect July 1, 2022. The Act supersedes the *Workers' Compensation Act* of Yukon and *Occupational Health and Safety Act* and regulations.

The Workers' Safety and Compensation Board - Yukon (the "Board") was continued under the Act. The Board's mandate is to administer the Act and regulations and provide compensation benefits to workers who sustain work-related injuries. Annual assessments are levied on employers by applying their industry assessment rate to their actual or estimated payrolls for the year. Insurance and investment revenues pay for all insurance service and other general and administration expenses.

The Board's office is located at 401 Strickland Street, Whitehorse, Yukon, Canada, with operations exclusively within the Yukon. The Board is exempt from income tax and the goods and services tax.

#### 2. Statement of Compliance and Basis of Preparation

These financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The Board of Directors approved and authorized for issue the 2023 financial statements on April 26, 2024.

##### Basis of measurement

These financial statements have been prepared on a historical cost basis, except for the following: investments classified as fair value through profit or loss that are measured at fair value, and the insurance contract liability, other provisions and employee benefits which are actuarially determined. The Fund's functional currency is the Canadian dollar, which is the currency of the primary economic environment in which the Fund operates and is also the presentation currency of the financial statements.

##### Critical Accounting Estimates and Judgements

The Board makes estimates and judgements in respect of certain key assets and liabilities of the Fund. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are the following:

- Note 7 Investments – Valuation of financial instruments
- Note 11 Insurance Contract liability – Determination of discount rates and other assumptions
- Note 11 Insurance Contract liability – Determination of latent occupational disease provision

The major areas of judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are the following:

- Note 4(j) Material Accounting Policies - Insurance contract liability - Separation of components, aggregation of contracts, contract initial recognition date, and determination of contract boundaries
- Note 4(j) Material Accounting Policies - Insurance contract liability, Note 16 Other General and Administration Expense - Allocation of general and administration expenses to insurance activities
- Note 7 Investments – Classification of financial instruments
- Note 8 Property and Equipment – The degree of componentization
- Note 9 Intangible Assets – The determination of development costs eligible for capitalization

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 3. Changes in Accounting Policies and Disclosures

##### New and revised IFRS issued but not yet effective

The Board reviewed new or revised standards that were issued but yet not effective for 2023 and concluded that there would be no significant impact on the Fund's financial statements in the future as a result of these new or revised standards.

##### Application of new and revised IFRS

The Fund applied IFRS 9 *Financial Instruments* and IFRS 17 *Insurance Contracts* for the first time in 2023. IFRS 17 has been applied retrospectively with the cumulative effect on initial application recognized in equity as at January 1, 2022. Prior year figures were restated as a result of the adoption of this standard. IFRS 9 was also applied retrospectively; however, there were no changes to prior year figures as a result of the adoption of this standard.

The Fund also applied amendments to IAS 1 *Presentation of Financial Statements* in 2023. The adoption of these amendments had no significant impact on the financial statements.

The nature of the changes in accounting policies can be summarised as follows:

##### IFRS 9 – Financial instruments

IFRS 9 replaces IAS 39 – *Financial Instruments: Recognition and Measurement* and includes changes to the previous guidance for financial assets and introduces an “expected credit loss” model for the impairment of financial assets. The Fund had elected to use the temporary exemption allowed for based on amendments to IFRS 4 *Insurance Contracts* issued in March 2020 which delayed implementation of IFRS 9 to 2023 to align with the adoption of IFRS 17.

The adoption of IFRS 9 has impacted the following areas:

- IFRS 9 introduces the expected credit loss model for impairment of the Fund's receivables which replaces the incurred loss model. For receivables, the Fund applies a simplified model of recognizing lifetime expected credit losses as these items do not have a significant financing component.

Other financial assets were evaluated under the new standard and while the terminology has changed, the accounting treatment remains the same. These include:

- Receivables previously classified as loans and receivable under IAS 39 continue to be measured at amortized cost as the cash flows are solely payments of principal and interest and they are held to collect.
- Investments previously held for trading under IAS 39 continue to be measured at fair value through profit or loss (FVTPL), as equity investments are measured at FVTPL, and the Fund has elected under IFRS 9, 4.1.5 to irrevocably designate its fixed income investments at FVTPL to reduce the measurement inconsistency that would otherwise arise from measuring related liabilities for insurance contracts within the scope of IFRS 17.

On the date of initial application, January 1, 2022, the financial instruments of the Company were reclassified as follows:

	Measurement category	
	IAS 39	IFRS 9
Cash	Amortized cost	Amortized cost
Receivables	Amortized cost	Amortized cost
Fixed income	Held for trading	FVTPL
Equity investments	Held for trading	FVTPL

There have been no changes to the classification or measurement of financial liabilities as a result of the application of IFRS 9.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 3. Changes in Accounting Policies and Disclosures (continued)

##### IFRS 17 – Insurance contracts

IFRS 17 replaces IFRS 4 for annual periods on or after January 1, 2023 and has significantly changed the accounting for and presentation of insurance contracts. The Fund applies the premium allocation approach (PAA), which simplifies the measurement of insurance contracts compared with the general measurement model within IFRS 17. IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts. The Fund has applied IFRS 17 retrospectively.

##### Changes to classification and measurement

The recognition, measurement, presentation and disclosure principles under IFRS 17 differ from IFRS 4 in the following key areas:

- Under IFRS 17, the Fund's insurance contracts are eligible to be measured by applying the Premium Allocation Approach (PAA); an optional simplified measurement model;
- The liability for remaining coverage reflects premiums received less amounts recognized in revenue for insurance services provided;
- Measurement of the liability for remaining coverages involves an explicit evaluation of fulfillment cash flows allocated to insurance contracts over its coverage period;
- Measurement of the liability for incurred claims (previously "benefits liability") is determined on a discounted probability-weighted expected value basis, and includes an explicit risk adjustment for non-financial risk. The liability includes the Fund's obligation to pay other incurred insurance expenses;
- The liability for incurred claims is discounted at a rate that reflects the characteristics of the liabilities and duration of each portfolio. The Fund has established a discount rate using risk free yield curves adjusted to reflect the appropriate illiquidity characteristics of the applicable insurance contracts; and
- Insurance revenue, insurance service expenses and insurance financial income or loss are presented separately.

The Fund has elected to expense acquisition cash flows immediately upon payment.

##### Changes to presentation and disclosure

IFRS 17 introduces extensive disclosure requirements on the amounts recognized from insurance contracts and the nature and extent of risks arising from these contracts. The Fund's note disclosures provide qualitative and quantitative information about amounts recognized in the Fund's financial statements related to insurance contracts, along with information about significant judgements in applying the standard.

Prior to the adoption of IFRS 17, reserves were included as separate components in equity. These reserves are no longer calculated using IFRS financial statements and have been reclassified into equity. See note 13(a) for further details.

##### Transition

On the transition date to IFRS 17, January 1, 2022, the Fund identified, recognized, and measured each group of insurance contracts as if IFRS 17 had always applied and derecognized any existing balances that would not exist had IFRS 17 always applied with any resulting net difference recognized in equity.

The Fund has applied the full retrospective approach to its insurance contracts. In accordance with IFRS 17.C3(a), the Fund has not disclosed the amount of the adjustment for each financial statement line item affected in the current and prior periods as a result of the adoption of IFRS 17.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 3. Changes in Accounting Policies and Disclosures (continued)

##### IFRS 17 – Insurance contracts (continued)

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As at January 1, 2022	IFRS 4	Impact of IFRS 17		IFRS 17
		Presentation	Measurement	
Total assets	268,362	(2,971)	-	265,391
Total liabilities	188,205	(2,971)	34,423	219,657
Equity	80,157	-	(34,423)	45,734

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#### 4. Material Accounting Policies

The following is a summary of the Fund's material accounting policies:

##### (a) Cash

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash includes cash on hand, bank balances, net of any bank overdrafts and cash held by investment custodians for investment purposes.

Foreign currency transactions incurred within operating activities are translated based on the exchange rate at the time of the transaction. Any cash balances remaining in foreign currency bank accounts at year end are translated at the exchange rate in effect as of December 31 of that year. Any gains or losses incurred as a result of translations are recorded in the Statement of Operations and Comprehensive Income.

##### (b) Insurance revenue

At the beginning of each year, the Fund levies assessments on employers by applying their industry assessment rate to their estimated payrolls for the year. The assessment levy is payable by instalments during the year. At year end, employers file a statement of actual assessable payroll and the difference between the estimated assessment and the actual assessment is recognized either as an increase in insurance revenue and recognized as a receivable, or as a decrease in insurance revenue and recognized as assessment refundable. When an employer does not provide estimated payroll, the Fund estimates, and levies assessments based on prior experience with the employer and industry.

Insurance revenue recognized for the period is the amount of expected assessment receipts allocated to the calendar year.

##### (c) Recoveries from third parties

Since July 1, 2008, under section 51 of the Act, the Board is deemed to be an assignee of a cause of action in respect of a worker's injury that arose out of a work-related injury. If settled, or as a result of a Court decision, the legal costs and costs associated with the claim create the settlement. Out of the settlement are paid the legal costs, and legal disbursements, and all past, present and future costs. Any funds remaining are paid to the worker. The amount recovered for past, present and future costs is used to pay for future claims benefits, which were previously expensed in accordance with actuarial calculations, and which were previously incorporated in the insurance contract liability.

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (c) Recoveries from third parties (continued)

Recoveries from third parties are recognized when their receipt is virtually certain and the amount can be reliably measured. They are recorded as insurance revenue in the year they are recognized. No provision is made in the insurance contract liability for possible future third party recoveries because of their contingent nature.

##### (d) Financial Instruments

###### Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model than “hold to collect” or “hold to collect and sell” are categorized at FVTPL. Also, irrespective of the business model, financial assets whose contractual cash flows are not solely payment of principal and interest are accounted for at FVTPL. The Fund can also elect to classify assets at FVTPL if classifying them in another category would result in an accounting mismatch.

Assets in this category include the Fund’s investment portfolio, including fixed income and equity investments.

These assets are measured at fair value with realized gains or losses as well as changes in unrealized gains and losses recognized in net income as investment income. The fair values of quoted investments are based on closing market prices. Transaction costs directly related to the fair value through profit or loss financial assets are expensed as incurred.

###### Financial assets at fair value through other comprehensive income (FVOCI)

The Fund can elect to account for financial assets at FVOCI if the assets meet the following conditions:

- They are held under a business model whose objective is to “hold to collect” the associated cash flows and sell, and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Fund does not hold any investments categorized as FVOCI.

###### Financial assets at amortized cost

Financial assets are measured at amortized cost if the asset meets the following conditions:

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payment of principal and interest on the principal amount outstanding.

These assets are recorded initially at fair value and subsequently measured at amortized cost using the effective interest rate method. Interest and realized gains or losses are included in net income. Cash and equivalents and accounts receivable fall into this category.

Receivables are recognized when owed pursuant to the terms of the related contract and are short-term; therefore, the net carrying value is considered to be a reasonable approximation of fair value.

Transaction costs are capitalized on initial recognition and are recognized in income using the effective interest rate method.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (d) Financial instruments (continued)

###### Investments

Investments are classified and measured at fair value through profit or loss. The fair value of publicly traded investments is the quoted market price which approximates the bid price at the end of the reporting period. Pooled fund units are valued at their year end net asset value, as determined by the fund manager. Purchases and sales of investments are recognized on the trade date.

Net investment income is comprised of realized gains and losses earned in the period arising on the sale of investments; unrealized gains and losses arising from fluctuations in fair value in the period; and dividends and interest earned in the period; net of investment management fees and transaction costs.

Investments denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the end of the year. Income from investments is translated at the rate in effect at the time it is earned. Exchange gains and losses resulting from the translation of foreign currency balances and transactions are recognized in net investment income in the period in which they arise.

The Board does not enter into any financial derivative instruments as part of managing the Fund's investment portfolio.

###### Financial liabilities

Accounts payable and accrued liabilities, and surplus distributions payable are classified at amortized cost. All are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method. Due to the short-term nature of accounts payable and accrued liabilities, and surplus distributions payable, their carrying values approximate their fair values, which are classified as Level 2 in the fair value hierarchy.

###### Fair value hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of its financial instruments by valuation technique:

- Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 - Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3 - Techniques that use inputs which have a significant effect on the recorded fair value which are not based on observable market data.

Changes in valuation methods may result in transfers into or out of an instrument's assigned level. The Board's policy is to recognize transfers as of the date of the event or change in circumstances that cause the transfer. There were no such transfers between levels in 2023 (2022 – No transfers).

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (d) Financial instruments (continued)

###### Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the expected credit loss ("ECL") model. Instruments within the scope of the requirements include financial asset measured at amortized cost or FVOCI and receivables.

The recognition of an impairment requires the Fund to consider a broad range of information when assessing credit risk and measuring expected credit losses including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. Accounts receivable include an estimate for the lifetime expected credit losses using the simplified method with a provision matrix in the expected credit loss accounts and are regularly reviewed to determine whether the account should be written-off. Accounts are written-off when there is no reasonable expectation of recovery.

###### Derecognition of financial assets and liabilities

A financial asset is derecognized when the contractual right to the cash flows from the asset expires or if the Board transfers the financial asset and substantially all risk and rewards of ownership to another entity. Financial liabilities are derecognized when the contractual obligations are discharged, cancelled, or expire.

##### (e) Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and accumulated impairment. Depreciation is calculated based on the straight-line method using rates based on the estimated useful lives of the assets as follows:

Buildings and fixtures	10 – 75 years
Furniture and equipment	5 – 15 years
Computer equipment	5 – 7 years

Where an item of property and equipment is comprised of significant components with different useful lives, the components are accounted for separately.

The estimated useful life, residual value and depreciation method are reviewed at each year end and any change in estimate is made on a prospective basis.

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (f) Intangible assets

Intangible assets are comprised of purchased software and internally developed software systems.

Research costs are expensed as incurred. Development costs of internally developed software systems are capitalized when the system is technically feasible, resources are available, costs can be measured reliably, management intends to use the asset, and future economic benefits are probable. The asset is derecognized when it no longer meets these criteria. Salaries, wages and benefits directly related to internally developed software systems are included in the asset's cost. When the asset is substantially complete and is available for use, development costs are transferred to the related asset category and amortized.

Intangible assets are recorded at cost less accumulated amortization and accumulated impairment. Amortization is calculated based on the straight-line method using rates based on the estimated useful lives of the assets as follows:

Systems and software	5 – 25 years
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The estimated useful life and amortization period is reviewed at each year end and any change in estimate is made on a prospective basis.

##### (g) Impairment of non-financial assets

IAS 36 *Impairment of Assets* requires an entity to test assets for impairment if indicators of impairment exist. The impairment review must be conducted for an individual asset, an asset group, or the cash-generating unit level, which is the smallest identifiable group of assets that generates cash inflows independent of cash inflows from other assets or groups of assets.

Based on an analysis of cash flows, the Board has established that the appropriate cash generating unit for impairment review is the entity. The Board has statutory power under the Act to increase premiums and/or charge a premium surcharge to ensure full funding into the foreseeable future and, therefore, the likelihood of impairment at the entity level is remote.

Individual assets that may have experienced impairment due to loss, damage, obsolescence or curtailed service potential are reviewed and the estimated useful life, depreciation method and residual value adjusted.

The Board assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Board estimates the asset's recoverable amount. As at December 31, 2023, management conducted an impairment review at the entity level, which confirmed that there were no indicators of impairment—changes in the legislative, economic or business environment—that would have a material impact on the Board's ability to generate future economic benefits from its operating (non-financial) assets.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (h) Government grants

There are two types of government grants which include government grants related to expenses and government grants related to assets. Government grants related to expenses are recognized as income when there is reasonable assurance that the conditions attached to the grant will be complied with and the grant will be received. When the grant relates to an asset, it is recognized as deferred income and is released into income in equal amounts over the expected useful life of the related asset.

In 2005, the Government of Yukon approved the reinstatement of ongoing funding for the Mine Safety Program (the "Program") through an annual grant to the Fund. The Program, which was transferred to the Board in 1993, provides mine rescue training and support services as well as mine safety inspection services. The funding is to be reviewed by the Government, at a minimum, every five years.

##### (i) Other provisions

Other provisions relate to certain claims that occurred prior to 1993, were transferred to the Fund, and were prepaid by the Government of Yukon. Provisions for these claims are determined annually and represent the actuarial present value of all future benefits expected to be paid. Claimants receive fixed monthly payments that are indexed on an annual basis. The estimated duration over which payments will be made is set based on the life expectancy of the claimants. Assumptions required to calculate other provisions include estimates of future inflation, interest rates and mortality rates. Experience adjustments are recognized in net surplus or deficit as incurred.

##### (j) Insurance contract liability

###### Classification

Insurance contracts are contracts under which the Fund accepts significant insurance risk from an employer, by agreeing to compensate the injured worker if a workplace injury occurs. The Fund determines whether it has significant insurance risk by comparing benefits payable after an insured event with benefits payable if the insured event did not occur.

###### Separating components

The Fund has assessed its insurance contracts to determine whether they contain distinct components which must be accounted for under another IFRS. The Fund has recognized all insurance contracts as one component to be accounted for under IFRS 17.

###### Level of aggregation

IFRS 17 requires the Fund to determine the level of aggregation for applying its requirements. Groups of contracts with similar risks that are managed together are aggregated into portfolios. The Fund has determined all insurance contracts issued in a fiscal year are a single portfolio. All of the Fund's insurance contracts are issued at the same time annually or within the same annual coverage period; they share similar risks and are managed together. As a result, the insurance contract liabilities and assets are grouped together and presented as one amount on the Statement of Financial Position. The single portfolio consists of individual insurance contracts to provide insurance benefits to injured workers. The portfolio of contracts must then be divided by profitability. Within each year, the portfolio of contracts must be divided into the following:

- Group of insurance contracts that are onerous at initial recognition (if any);
- Group of insurance contracts that at initial recognition have no significant possibility of becoming onerous subsequently (if any); and
- Group of remaining insurance contracts within the group (if any).

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (j) Insurance contract liability (continued)

###### Level of aggregation (continued)

The Fund performs an annual assessment of the profitability of its portfolio to determine the expected profitability. The Fund has determined that all contracts within each annual portfolio fall within the same profitability grouping as a result of the Fund's pricing and risk management strategies which are based on the collective risk of all insured employers.

###### Recognition

The Fund recognizes groups of insurance contracts it issues from at the earliest of the following:

- The beginning of the coverage period of the group of insurance contracts;
- The date when the first payment is due from an employer or when the first payment is received; or
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

The Fund's insurance contracts are recognized on a calendar basis with initial recognition generally being January 1, aside from new employers to the Fund. The Fund's contracts become effective on January 1 annually for existing employers which coincides with the beginning of the coverage period and when the premium rates are considered binding. New employers are added to the insurance contract portfolio when one of the above conditions are met.

###### Contract boundary

The contract boundary is used to determine the cash flows to be included in the groups of insurance contracts. A substantive obligation to provide insurance contract service ends when the Fund has the ability to reassess risks of the employer and as a result can set a price that reflects those risks, or both of the following criteria are satisfied:

- The Fund has the ability to price the group of contracts so that the price reflects the reassessed risk of the group of insurance contracts, and
- The pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

The Fund has determined that the insurance contracts have annual terms that are guaranteed to be renewable each year; however, the Fund has the ability to re-price the premiums based on risk, experience and historical information annually. As the substantive obligation to provide the employer with insurance coverage ends when the Fund has the ability to reprice the risks of the employer, the contract boundary and related cash flows are those associated with that one year coverage period.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (j) Insurance contract liability (continued)

###### Measurement

The Fund uses the Premium Allocation Approach (PAA) for all groups of insurance contracts that it issues to employers due to the fact that the coverage period of each insurance contract is one year or less, including insurance contract services arising from all premiums within the contract boundary.

###### *Initial measurement*

For groups of insurance contracts that are not onerous at initial recognition, the Fund measures the liability for remaining coverage at inception as the premiums, if any, received at initial recognition. The Fund has elected to immediately expense any acquisition costs and does not incur any other cash flows prior to the contract commencement date; therefore, no other adjustments are made to the liability for remaining coverage at initial recognition. Where the contract boundary is one year, there is no adjustment required for accretion of interest on the liability for remaining coverage.

For insurance contracts that facts and circumstances indicate that the group of insurance contracts is onerous at initial recognition, the Fund separately groups the onerous contracts from other contracts and recognizes a loss in the statement of operations. The Fund would also establish a loss component for the liability for remaining coverage for such onerous contracts on initial measurement.

###### *Risk adjustment for non-financial risk*

The risk adjustment for non-financial risk is the compensation that the Fund requires for bearing the uncertainty about the amount and timing of the cash flow of insurance contracts. Although non-financial risks are inherent in the operations of the Fund, due to the nature of operations, the Fund does not seek compensation for the uncertainty around the amount and timing of cash flows that arise from the non-financial risks. As the Fund generates sufficient premiums and income from investments to fully fund the operations of the insurance business and other administrative activities, there is no compensation required or earned by the Fund for such risk and as such, the risk adjustment was determined to be approximately nil or negligible.

The Fund estimated the risk adjustment using a 50% confidence level, which is the probability that the actual outcome of future cash flows associated with the Funds claims and expenses will be less than the liability.

###### *Discount rates*

Insurance contract liabilities are calculated by discounting expected future cash flows at the sum of a risk-free yield curve derived from Government of Canada bonds and an illiquidity premium derived from a reference portfolio. The bottom-up approach was applied in the determination of the discount rate using the Fiera Capital Corporation IFRS 17 reference curve.

###### *Fulfillment cash flows*

Fulfillment cash flows comprise the probability-weighted estimates of future cash flows, discounted to reflect the time value of money and the associated financial risks, plus a risk adjustment for non-financial risk which is determined to be negligible. Fulfillment cash flows are comprised of direct expenditures related to insurance activities plus an allocation of indirect expenditures. Management has applied judgement as to the allocation of general and administrative expenses in the determination of the amounts attributable to insurance activities.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (j) Insurance contract liability (continued)

##### Measurement (continued)

###### *Subsequent measurement*

###### Liability for remaining coverage

The Fund measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period, plus premiums received in the period, and minus the amount recognized as insurance revenue for the services provided in the period.

Where the Fund's insurance contracts all align to the Fund's annual reporting period, the liability for remaining coverage at the end of each annual reporting period is \$nil.

###### Liability for incurred claims

The Fund estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, reflect current estimates from the Fund, and include an explicit adjustment for non-financial risk. The Fund adjusts all future cash flows for the time value of money and the effect of financial risk.

The liability for incurred claims represents the present value of expected future payments in respect of claims arising from accidents that occurred prior to the end of the fiscal year as well as an allowance for all recognized latent occupational disease claims expected to arise in the future as a result of past exposures. Occupational diseases differ from other types of occupational injuries in that there can be a considerable time lag between the exposure, the manifestation of the disease and the identification of the ensuing disability as a claim. Further, it may be difficult to establish a link between an occupational disease and the workplace. A portion of the total liability is held based on the accumulated exposure up to the valuation date relative to total exposure before manifestation of the occupational disease. The liability for incurred claims also includes an allowance for future claims management costs.

The liability for incurred claims includes provision for all benefits provided by current legislation, policies, and administrative practices.

###### Onerous contracts

If, during the contract period, facts and circumstances indicate that a group of insurance contracts is onerous, the Fund recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Fund for the liability for remaining coverage for the onerous group showing the losses recognized.

Under the PAA, contracts are not considered onerous unless indicated by certain facts and circumstances. A contract becomes onerous if it's expected to generate losses over its coverage period. The determination of whether a contract is onerous at initial recognition involves comparing the expected return from assessment premiums, less premium rate adjustments related to funding surpluses and deficits, and the present value of the expected benefit payments and administration costs.

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (j) Insurance contract liability (continued)

###### Measurement (continued)

###### *Modification and derecognition*

The Fund derecognizes insurance contracts when the rights and obligations relating to the contract are extinguished or the contract is modified such that the modification results in a change in the measurement model, substantially changes the contract boundary or requires the modified contract to be included in a different group. As a result, the Fund derecognizes the initial contract and recognizes the modified contract as a new contract. When a modification does not result in derecognition, the Fund recognizes amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

###### *Insurance finance income and loss*

Insurance finance income or loss comprise the change in the carrying amount of the insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Fund recognizes all insurance finance income and loss through profit and loss.

##### (k) Employee benefits

###### Short-term employee benefits

Employee benefits that are expected to be settled within twelve months of the reporting date are measured on an undiscounted basis. These benefits include annual vacation leave earned but not yet used.

###### Other long-term employee benefits

Benefits that are expected to be settled beyond twelve months are determined based on an actuarial valuation as the best estimate of future cash flows discounted to present value with actuarial gains and losses recognized in net surplus or deficit as incurred. These benefits include long service vacation leave, sick leave and special leave benefits earned but not used.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 4. Material Accounting Policies (continued)

##### (k) Employee benefits (continued)

###### Post-employment benefits

###### (i) Retirement and severance benefits

Retirement or severance benefits are available to employees who have completed five years of service with the Board. Payments are made upon retirement or termination, with benefits increasing with additional length of service. The benefit obligation is determined based on an actuarial valuation using estimates of future inflation and interest rates. Actuarial gains and losses are recognized in other comprehensive income as incurred. The obligation is calculated using the projected unit credit method prorated on service.

###### (ii) Public Service Pension Plan

Substantially all of the employees of the Board are covered by the Public Service Pension Plan (the "Plan"), a multi-employer contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both employees and the Fund to cover current service cost. Pursuant to legislation currently in place, the Fund has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Fund.

###### (l) Funding policy surplus distributions

The Board may issue surplus distributions in accordance with its Funding Policy. These are recorded as an expense in the period in which they are approved by the Board of Directors. Surplus distributions that are approved but not issued are recorded as payable when an obligation exists, when the amount of such distributions can be reliably estimated, and when it is probable a payment will be issued in the future to settle the obligation.

#### 5. Risk Management

The Fund has exposure to the following financial risks: credit risk, liquidity risk and market risk (which also includes inflation risk, interest rate risk and currency risk). The Fund's exposure to these risks arises primarily in relation to its investment portfolio, but also in relation to its other financial assets and financial liabilities.

The Board's management is responsible for monitoring performance and recommending changes to the Investment Policy. The Board of Directors is ultimately responsible for governance and strategic direction of the investment portfolio through its review and approval of the Investment Policy and selection of investment managers. The investment managers' compliance with this Investment Policy is monitored on a regular basis. Quarterly, independent consultants benchmark the performance of the Fund's investment managers and advise on the appropriateness and effectiveness of the Fund's Investment Policy and practices.

The following sections present information about the Fund's exposure to each of the above risks and the Board's objectives, policies and processes for measuring and managing each risk. There were no changes to these risks or the Board's objectives, policies and process for managing them during the year ended December 31, 2023.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 5. Risk Management (continued)

##### Credit risk

Credit risk on financial instruments arises from the possibility that the issuer of a fixed-term instrument fails to meet its obligations. Excess cash not held for investing purposes is held on deposit with the Government of Yukon's banker. Short-term deposits with this bank are rated as R-1 (high). To manage this risk, the Board, as prescribed in the Investment Policy, has determined that short-term investments must have a credit rating of at least R1L, and long-term investments require a rating of BBB or higher by the Dominion Bond Rating Service or the equivalent rating by Moody's, in order to be eligible for consideration as an investment. Diversification of credit risk is managed by limiting the exposure in a single private institution to 15% of the portfolio. The Board has stayed within these guidelines during the year.

##### Fixed Income Portfolio Credit Ratings

Ratings	AAA	AA	A	BBB	31-Dec-23	31-Dec-22
Fixed Income Securities	\$ 35,113	\$ 32,641	\$ 28,581	\$ 10,230	\$ 106,565	\$ 83,462

The Fund's exposure to credit risk associated with its receivables is the risk that an employer or a cost recovery customer (the "customer") will be unable to pay amounts due to the Fund. The Fund's maximum exposure to credit risk associated with its accounts receivable and insurance contract assets is \$3,111,000 (2022 – \$3,427,000).

An estimated expected credit loss has been recorded for accounts receivable and insurance contract assets that may not be collectible as at the reporting date. The amounts disclosed on the Statement of Financial Position are net of these expected credit losses. At December 31, 2023, there were no accounts receivable or insurance contract assets that were past due but not impaired. The Board takes into consideration payment and collections history, and the current economic environment in which the Board operates to assess expected credit losses. The Board recognizes a expected credit losses when management considers that the expected recovery is less than the carrying amount.

The Board believes that the credit risk associated with receivables is mitigated by the following:

- The employer base is dispersed across various industries, with government comprising a significant concentration. The non-government-based employers may be affected by any downturns due to prevailing economic conditions.
- As at December 31, 2023, approximately 81% (2022 – 86%) of accounts receivable and insurance contract assets were outstanding for less than 90 days. The Board does not require collateral or other security from employers or customers for accounts receivable.
- The Board has the power and remedies to enforce payment owing to the Fund.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 5. Risk Management (continued)

##### Liquidity risk

Liquidity risk is the risk that the Fund is not able to meet its financial obligations as they become due or can do so only at excessive cost. The Fund's operations are financed through a combination of the cash flows from operations and investments. One of management's primary goals is to maintain an optimal level of liquidity through the active management of the assets and liabilities as well as the cash flows.

The Fund has access to the Government of Yukon's overall line of credit facility with the Government's banker. This access provides the Fund with overdraft coverage of \$10,000,000 if needed. As of December 31, 2023, the Fund had used \$nil (2022 – \$nil) of the overdraft coverage.

The Fund's accounts payable and accrued liabilities had a carrying value of \$2,583,000 as at December 31, 2023 (2022 – \$1,970,000 - Restated - Note 3) and were all payable within a year.

Liquidity risk related to the insurance contract liability is included in note 11(e).

##### Market risk

The Fund is exposed to market risk which is the risk that the fair value or future cash flows of its investments will fluctuate in the future because of economic conditions. Market risk is managed through diversification between different asset classes and geographic locations, and by limiting the concentration in any single entity to 15 per cent or less of the fair value of the investment fund (note 7).

The table below presents the Fund's investment targets and actual asset mix at fair value:

	Target		31-Dec-23	Actual 31-Dec-22
	Minimum	Maximum		
<b>Equities</b>				
Canadian	0%	25%	17.9%	18.1%
United States	0%	25%	20.4%	21.7%
International	0%	25%	17.0%	17.6%
<b>Fixed income</b>				
Short-term investments	0%	10%	2.3%	4.8%
Bonds	35%	85%	42.4%	37.8%
			100.0%	100.0%

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 5. Risk Management (continued)

##### Market risk (continued)

The table below presents the effect on operating results and equity of a material adverse change in the fair value of each of the categories of equities in the Fund's investments portfolio:

	31-Dec-23		31-Dec-22	
	-10%	-20%	-10%	-20%
<b>Equities</b>				
Canadian	\$ (4,514)	\$ (9,029)	\$ (4,005)	\$ (8,010)
United States	(5,154)	(10,308)	(4,796)	(9,592)
International	(4,293)	(8,586)	(3,878)	(7,755)
<b>Total impact on operating results and equity</b>	<b>\$ (13,961)</b>	<b>\$ (27,923)</b>	<b>\$ (12,679)</b>	<b>\$ (25,357)</b>

##### Inflation risk

Inflation risk is the risk that a general increase in price level may result in loss of future purchasing power of current monetary assets. The Board manages inflation risk through its investment allocation between equities and fixed income investments.

##### Interest rate risk

Interest rate risk is the risk that the value of a financial security will fluctuate due to changes in market interest rates. The Fund's investment portfolio is exposed to interest rate risk through its holdings of short- and long-term fixed income investments. Interest rate risk is minimized by actively managing the duration of the fixed income investments.

The table below presents the effects on operating results and equity of a 50 and 100 basis point ("bp")<sup>1</sup> adverse change in the nominal interest rate on the fair value of the bond portfolio.

	31-Dec-23		31-Dec-22	
	+50bp	+100bp	+50bp	+100bp
<b>Positive bp change in nominal interest rate</b>				
<b>Bonds</b>	<b>\$ (3,788)</b>	<b>\$ (7,576)</b>	<b>\$ (2,928)</b>	<b>\$ (5,856)</b>
<b>Total impact on operating results and equity</b>	<b>\$ (3,788)</b>	<b>\$ (7,576)</b>	<b>\$ (2,928)</b>	<b>\$ (5,856)</b>

(1) One basis point (bp) equals 1/100 of 1%; 50 bps = 50/100 of 1%, or 0.5%.

In the event the nominal interest rates decrease by 50 and 100 basis points, the impact will be equal and opposite to the above stated values.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 5. Risk Management (continued)

##### *Interest rate risk (continued)*

The table below presents the remaining terms to maturity at fair value, along with the average effective yields for each maturity, for fixed income investments exposed to inflation and interest rate risk.

	Remaining term to maturity:				31-Dec-23	31-Dec-22
	< 1 year	1 - 5 years	5 - 10 years	> 10 years		
Bonds	\$ 15,535	\$ 35,656	\$ 23,536	\$ 31,838	\$ 106,565	\$ 83,462
Average effective yield	3.88%	8.53%	4.53%	4.30%	5.71%	3.72%

(1) Maturity is defined as the earliest a bond can be redeemed without penalty by the bond issuer.

The Fund is also exposed to the risk that interest rate movements may materially impact the value of its insurance contract liability (note 11(d)).

##### *Currency risk*

Currency risk is the risk that the value of financial assets and financial liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates relative to the Canadian dollar.

The Fund is exposed to exchange rate volatility that is managed by the contracted fund managers. The Board does not undertake long-term hedging strategies for the currency risk of foreign investments. The Fund's most significant exposure is to the US dollar, Euro, British pound, Japanese yen, Hong Kong dollar and Swiss franc.

The Fund held foreign currency denominated holdings, at fair value, as follows:

Currency	31-Dec-23	31-Dec-22
US Dollar	\$ 59,492	\$ 52,918
Euro	\$ 16,312	\$ 16,778
British Pound	\$ 8,283	\$ 5,546
Japanese Yen	\$ 5,229	\$ 4,304
Swiss Franc	\$ 5,160	\$ 4,702
Hong Kong Dollar	\$ 1,071	\$ 2,215

The sensitivity analysis below presents the effect on operating results and equity of a 10 per cent appreciation in the Canadian dollar as compared to the US dollar, Euro, British pound, Japanese yen, Hong Kong dollar and Swiss franc.

Currency	31-Dec-23	31-Dec-22
US Dollar	\$ (5,408)	\$ (4,811)
Euro	\$ (1,483)	\$ (1,526)
British Pound	\$ (753)	\$ (504)
Japanese Yen	\$ (475)	\$ (391)
Swiss Franc	\$ (469)	\$ (427)
Hong Kong Dollar	\$ (97)	\$ (201)

In the event there is a 10 per cent depreciation in the Canadian dollar, the impact will be equal and opposite to the above stated values.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 6. Accounts Receivable

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	31-Dec-23	31-Dec-22
		(Restated - Note 3)
<b>Accounts receivable</b>		
Other receivables and recoveries	\$ 274	\$ 356
Expected credit loss	(34)	(28)
<b>Total accounts receivable</b>	<b>\$ 240</b>	<b>\$ 328</b>

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Included in other receivables and recoveries are amounts due from related parties, which are disclosed in note 14.

#### Reconciliation of expected credit loss

The provision for potential credit losses and amounts are subsequently written off once reasonable collection efforts have been made. The reconciliation details are as follows:

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	31-Dec-23	31-Dec-22
		(Restated - Note 3)
Balance, beginning of year	\$ 28	\$ 27
Allowance written off	(13)	(9)
Recoveries and other adjustments	(8)	(12)
Current year provision	27	22
<b>Balance, end of year</b>	<b>\$ 34</b>	<b>\$ 28</b>

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 7. Investments

The Board of Directors has established an Investment Policy for the management of the investment process, utilizing external investment managers. The investment managers' compliance with this Investment Policy is monitored on a regular basis.

	31-Dec-23 Fair Value	31-Dec-22 Fair Value
<b>Fixed-term securities</b>		
Federal bonds	\$ 32,618	\$ 28,359
Provincial bonds	28,994	21,779
Corporate bonds	44,779	33,156
Municipal bonds	173	168
	106,564	83,462
<b>Equities</b>		
Canadian	45,172	40,052
United States	51,539	47,961
International	42,932	38,777
	139,643	126,790
<b>Other investments</b>		
Short-term investments	5,860	10,697
Accrued interest receivable	754	589
	6,614	11,286
<b>Investments, subtotal</b>	<b>252,821</b>	<b>221,538</b>
<b>Investment fees accrual</b>	<b>(8)</b>	<b>(175)</b>
<b>Total investments</b>	<b>\$ 252,813</b>	<b>\$ 221,363</b>

The total funds held by investment custodians is \$253,278 (2022 - \$221,456) which includes the investments above and cash on account of \$465 (2022 - \$93).

Net investment income (loss):

	31-Dec-23	31-Dec-22
Interest revenue calculated using the effective interest method	\$ 3,485	\$ 2,826
Other interest and similar income	2,916	2,610
Net fair value gains (losses) on financial assets at fair value through profit and loss	5,452	4,307
Net fair value gains (losses) on derecognition of financial assets at fair value through profit and loss	18,524	(32,997)
Investment fees	(763)	(749)
<b>Net investment (loss) income for the year</b>	<b>\$ 29,614</b>	<b>\$ (24,003)</b>

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 7. Investments (continued)

##### Fair value hierarchy

The Fund's investments are categorized into the fair value hierarchy based on type, frequency and visibility of pricing, source of pricing and liquidity. There are three levels of classification:

Level 1 classification reflects public daily market or quote pricing in active markets.

Level 2 classification is used when pricing is:

- a) model or matrix based (using observable inputs and/or market information);
- b) based on closely-related securities;
- c) derived pricing (when no public quote exists); or
- d) from a broker quote on less active markets.

Level 3 classification is used when a security has no public pricing and poor to non-existent liquidity.

As at December 31, 2023, the Fund held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
Accrued interest, net of investment fee accrual	\$ 745	\$ -	\$ -	\$ 745
Short-term investments	13,134	-	-	13,134
Bonds	3,714	81,747	-	85,461
Equities	63,594	-	-	63,594
Pooled funds	-	89,879	-	89,879
<b>Total investments</b>	<b>\$ 81,187</b>	<b>\$ 171,626</b>	<b>\$ -</b>	<b>\$ 252,813</b>

As at December 31, 2022, the Fund held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
Accrued interest, net of investment fee accrual	\$ 412	\$ -	\$ -	\$ 412
Short-term investments	10,697	-	-	10,697
Bonds	10,465	72,998	-	83,463
Equities	55,240	-	-	55,240
Pooled funds	-	71,551	-	71,551
<b>Total investments</b>	<b>\$ 76,814</b>	<b>\$ 144,549</b>	<b>\$ -</b>	<b>\$ 221,363</b>

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 8. Property and Equipment

A reconciliation of the changes in the carrying amount of property, plant and equipment is as follows:

	Land	Buildings & Fixtures	Furniture & Equipment	Computer & Equipment	Assets under Construction	Total
<b>Cost</b>						
At January 1, 2023	\$ 1,804	\$ 10,903	\$ 1,542	\$ 1,613	\$ 154	\$ 16,016
Additions	-	12	101	152	2,336	2,601
Disposals	-	-	(5)	-	-	(5)
Transfers	-	141	-	-	(141)	-
At December 31, 2023	\$ 1,804	\$ 11,056	\$ 1,638	\$ 1,765	\$ 2,349	\$ 18,612
<b>Depreciation</b>						
At January 1, 2023	\$ -	\$ 3,694	\$ 1,185	\$ 1,014	\$ -	\$ 5,893
Depreciation	-	280	65	238	-	583
Disposals	-	-	(5)	-	-	(5)
At December 31, 2023	\$ -	\$ 3,974	\$ 1,245	\$ 1,252	\$ -	\$ 6,471
<b>Net Book Value</b>						
At December 31, 2023	\$ 1,804	\$ 7,082	\$ 393	\$ 513	\$ 2,349	\$ 12,141

	Land	Buildings & Fixtures	Furniture & Equipment	Computer & Equipment	Assets under Construction	Total
<b>Cost</b>						
At January 1, 2022	\$ 1,804	\$ 10,831	\$ 1,506	\$ 1,237	\$ 42	\$ 15,420
Additions	-	72	117	385	112	686
Disposals	-	-	(81)	(9)	-	(90)
At December 31, 2022	\$ 1,804	\$ 10,903	\$ 1,542	\$ 1,613	\$ 154	\$ 16,016
<b>Depreciation</b>						
At January 1, 2022	\$ -	\$ 3,402	\$ 1,204	\$ 822	\$ -	\$ 5,428
Depreciation	-	292	41	201	-	534
Disposals	-	-	(60)	(9)	-	(69)
At December 31, 2022	\$ -	\$ 3,694	\$ 1,185	\$ 1,014	\$ -	\$ 5,893
<b>Net Book Value</b>						
At December 31, 2022	\$ 1,804	\$ 7,209	\$ 357	\$ 599	\$ 154	\$ 10,123

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 9. Intangible Assets

A reconciliation of the changes in the carrying amount of intangible assets is as follows:

	Internal Software Development Costs <sup>(1)</sup>	Software Systems Under Development	Software Costs	Total
<b>Cost</b>				
At January 1, 2023	\$ 10,742	\$ -	\$ 1,403	\$ 12,145
Additions	-	1,223	42	1,265
Disposals	(432)	-	-	(432)
Transfers	951	(951)	-	-
At December 31, 2023	\$ 11,261	\$ 272	\$ 1,445	\$ 12,978
<b>Amortization</b>				
At January 1, 2023	\$ 8,479	\$ -	\$ 1,172	\$ 9,651
Depreciation	636	-	136	772
Disposals	(432)	-	-	(432)
At December 31, 2023	\$ 8,683	\$ -	\$ 1,308	\$ 9,991
<b>Net Book Value</b>				
At December 31, 2023	\$ 2,578	\$ 272	\$ 137	\$ 2,987

	Internal Software Development Costs <sup>(1)</sup>	Software Systems Under Development	Software Costs	Total
<b>Cost</b>				
At January 1, 2022	\$ 10,116	\$ 254	\$ 1,327	\$ 11,697
Additions	372	-	76	448
Transfers	254	(254)	-	-
At December 31, 2022	\$ 10,742	\$ -	\$ 1,403	\$ 12,145
<b>Amortization</b>				
At January 1, 2022	\$ 7,585	\$ -	\$ 1,045	\$ 8,630
Depreciation	894	-	127	1,021
At December 31, 2022	\$ 8,479	\$ -	\$ 1,172	\$ 9,651
<b>Net Book Value</b>				
At December 31, 2022	\$ 2,263	\$ -	\$ 231	\$ 2,494

<sup>(1)</sup> Included in internal software development costs is the claims management system which has a net book value of \$1,226,000 (2022 – \$1,039,000) and a remaining amortization period of 4 years.

System research and analysis costs expensed in 2023 were \$24,775 (2022 – \$15,542).



## Compensation Fund

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December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 10. Other provisions

Prior to 1993, the Government of Yukon did not pay assessment fees and prepaid certain claims. The amount prepaid was equal to the estimated lifetime cost of the claims. The claimants receive fixed monthly payments that are indexed on an annual basis. The estimated duration over which payments will be made is set based on the life expectancy of the claimants.

	31-Dec-23
Balance, beginning of year	\$ 1,859
Amount charged against the provision during the year	124
Effect of discounting	(102)
Balance, end of year	\$ 1,881

#### 11. Insurance contract liability

The following is an actuarial reconciliation of the changes in the insurance contracts issued during the years ended December 31:

Insurance contracts year issued	Assets	2023 Liabilities	Net	Assets	2022 Liabilities	Net
2023	\$ 2,871	\$ 20,058	\$ 17,187	\$ -	\$ -	\$ -
2022	-	13,819	13,819	3,098	18,052	14,954
2021	-	13,526	13,526	-	13,578	13,578
2020	-	11,764	11,764	-	10,060	10,060
2019	-	9,686	9,686	-	10,834	10,834
2018	-	11,086	11,086	-	10,714	10,714
2017	-	10,252	10,252	-	11,075	11,075
2016	-	12,357	12,357	-	11,756	11,756
2015	-	6,744	6,744	-	6,681	6,681
2014	-	12,548	12,548	-	11,728	11,728
2013 and prior years	-	80,895	80,895	-	81,154	81,154
Total insurance contracts issued	\$ 2,871	\$ 202,735	\$ 199,864	\$ 3,098	\$ 185,632	\$ 182,534

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 11. Insurance contract liability (continued)

The reconciliation of the net asset or liability for insurance contracts issued, which shows the liabilities for remaining coverage and the liabilities for incurred claims is disclosed as follows:

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	Excluding loss component	Loss component	Present value of future cash flows		2023 Total
Insurance contract liabilities, balance December 31, 2022	\$ 2,161	\$ -	\$ 183,471	\$	185,632
Insurance contract assets, balance December 31, 2022	(3,098)	-	-		(3,098)
Net insurance contract liability, balance December 31, 2022	\$ (937)	\$ -	\$ 183,471	\$	182,534
Insurance revenue	\$ (36,846)	\$ -	\$ -	\$	(36,846)
Insurance service expenses:					
Insurance administrative expenses	-	-	14,642		14,642
Incurred claims expenses	-	-	18,514		18,514
Losses on onerous contracts	-	989	-		989
Reversal of losses on onerous contracts	-	(989)	-		(989)
Changes to liabilities for incurred claims	-	-	(149)		(149)
Total insurance service expenses	-	-	33,007		33,007
Insurance service result	(36,846)	-	33,007		(3,839)
Insurance finance (income) loss	-	-	16,002		16,002
Total changes in the statement of operations and comprehensive income	\$ (36,846)	\$ -	\$ 49,009	\$	12,163
	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	Excluding loss component	Loss component	Present value of future cash flows		2023 Total
Cash flows					
Insurance revenue received	\$ 38,323	\$ -	\$ -	\$	38,323
Insurance service payments	-	-	(32,066)		(32,066)
Total cash flows	\$ 38,323	\$ -	\$ (32,066)	\$	6,257
Non-cash insurance administration adjustments	-	-	(1,090)		(1,090)
Closing insurance contract liabilities, balance December 31	\$ 3,411	\$ -	\$ 199,324	\$	202,735
Closing insurance contract assets, balance December 31	(2,871)	-	-		(2,871)
Net insurance contract liability, as at December 31	\$ 540	\$ -	\$ 199,324	\$	199,864

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 11. Insurance contract liability (continued)

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	Excluding loss component	Loss component	Present value of future cash flows		2022 Total
Insurance contract liabilities, balance January 1, 2022	\$ 2,147	\$ -	\$ 211,823	\$	213,970
Insurance contract assets, balance January 1, 2022	(2,971)	-	-		(2,971)
Net insurance contract liability, balance January 1, 2022	\$ (824)	\$ -	\$ 211,823	\$	210,999
Insurance revenue	\$ (36,299)	\$ -	\$ -	\$	(36,299)
Insurance service expenses:					
Insurance administrative expenses	-	-	13,083		13,083
Incurred claims expenses	-	-	17,725		17,725
Losses on onerous contracts	-	2,059	-		2,059
Reversal of losses on onerous contract	-	(2,059)	-		(2,059)
Changes to liabilities for incurred claims	-	-	(7,170)		(7,170)
Total insurance service expenses	-	-	23,638		23,638
Insurance service result	(36,299)	-	23,638		(12,661)
Insurance finance (income) loss	-	-	(21,182)		(21,182)
Total changes in the statement of operations and comprehensive income	\$ (36,299)	\$ -	\$ 2,456	\$	(33,843)
	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	Excluding loss component	Loss component	Present value of future cash flows		2022 Total
Cash flows					
Insurance revenue received	\$ 36,186	\$ -	\$ -	\$	36,186
Insurance service payments	-	-	(29,514)		(29,514)
Total cash flows	\$ 36,186	\$ -	\$ (29,514)	\$	6,672
Non-cash insurance administration adjustments	-	-	(1,294)		(1,294)
Closing insurance contract liabilities, balance December 31	\$ 2,161	\$ -	\$ 183,471	\$	185,632
Closing insurance contract assets, balance December 31	(3,098)	-	-		(3,098)
Net insurance contract liability, as at December 31	\$ (937)	\$ -	\$ 183,471	\$	182,534



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 11. Insurance contract liability (continued)

##### (a) Objectives in managing risks arising from insurance contracts and policies for mitigating those risks

The Board has an objective to control insurance risk, thus reducing the volatility of operating results. In addition, due to the inherent uncertainty of insurance risk, which can lead to significant variability in the loss experience, operating results from the Fund's workers' compensation business are affected by market factors, particularly movements in asset values. Short-term variability is, to some extent, a feature of the workers' compensation business.

Key aspects of processes established to mitigate insurance risks include:

- The maintenance and use of management information systems, which provides data on the risks that the Fund is exposed to at any point in time;
- Actuarial models, using information from the management information system, are used to monitor claims patterns and calculate assessment premiums. Past experience and statistical methods are used as part of the process; and
- The asset mix of the Fund investments is driven by the nature and term of insurance liabilities. The management of assets and liabilities is closely monitored to attempt to match maturity dates of assets with the expected pattern of claim payments.

##### (b) Terms and conditions of the Act

The terms and conditions attaching to the Act affect the level of insurance risk accepted by the Fund. All workers' compensation coverage entered into is subject to substantially the same terms and conditions under the Act.

##### (c) Development of claims

There is a possibility that changes may occur in the estimate of the Fund's obligations over time. The tables in part (i) of this note show the estimates of total net and gross claims outstanding for each underwriting year at successive year ends.

##### (d) Interest rate risk

The Fund is exposed to the risk that interest rate movements may materially impact the value of the insurance contract liability. The discount rate being applied to future claims payments in determining the valuation of the insurance contract liability is disclosed in part (g) of this note.

The exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets is set out in note 5.



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 11. Insurance contract liability (continued)

##### (e) Liquidity risk

The Fund's exposure to liquidity risk is set out in note 5.

The following table estimates the expected amounts and timing of future benefit payments for the provision of outstanding claims. The expected timing of payments from the provision for outstanding claims involves considerable uncertainty. The projections presented below do not include a provision for future administration expenses or latent occupational diseases.

Expected timing of future payments for outstanding claims:

	31-Dec-23	31-Dec-22
Up to 1 year	5%	5%
Over 1 year and up to 5 years	16%	17%
Over 5 years and up to 10 years	19%	19%
Over 10 years	60%	59%
	100%	100%

##### (f) Actuarial assumptions and methods

The insurance contract liability was determined using accepted actuarial practice in accordance with standards established by the Canadian Institute of Actuaries. The actuarial present value of future benefits reflects management's and the actuary's best estimates of long-term economic and actuarial assumptions.

The overall valuation approach is designed to reflect emerging trends without placing too much emphasis on temporary fluctuations. The factors used in the valuation have been developed on a best-estimate basis by taking the Board's historical experience into consideration along with recent trends in that experience. The general philosophy is to avoid reacting too strongly to temporary fluctuations until there is sufficient evidence that a change in assumption is required.

The degree to which the valuation reflects trends is partly impacted by formulas intended to place the appropriate amount of weight on observed experience for each recent year and partly affected by professional judgement based on observation of payment and claiming trends, including discussions with the Board's staff about the underlying factors that might be causing an observed trend.

The following economic assumptions are used in the valuation of the insurance contract liability: discount rate 4.85% (2022 - 5.29%), long-term inflation rate for compensation 2.25% (2022 - 2.25%), and inflation rate for medical benefits 4.75% (2022 - 4.75%). The discount rate net of inflation is used to calculate the present value of expected future payments.

The administration rate represents the present value of the expected future costs required to provide administrative services for the continuation of claims management and maintenance of existing claims. The administration rate applied at December 31, 2023 is 17% (2022 - 17%).

As these assumptions may change over time to reflect underlying economic or legislated conditions, it is possible that such changes could cause a material change to the actuarial present value of future benefit payments.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 11. Insurance contract liability (continued)

##### (g) Liability sensitivity

The most significant assumption in the determination of the insurance contract liability is the net discount rate. The net discount rate is the assumed rate of return in excess of the assumed inflation rate. A reduction in the net discount rate would increase the actuarial present value of the insurance contract liability resulting in an increase in the insurance service expense and insurance contract liability. An increase in the discount rate would decrease the actuarial present value, resulting in a decrease in the insurance service expense and insurance contract liability.

Medical benefits represent approximately 14% (2022 – 14%) of the insurance contract liability. A change in the assumed excess medical inflation rate (above the assumed inflation rate) and the net discount rate would result in a change in insurance service expense and the insurance contract liability as follows:

Percentage change in assumed rates	31-Dec-23		31-Dec-22	
	+1%	-1%	+1%	-1%
Increase (decrease) from change in net discount rate	\$ (16,802)	\$ 19,349	\$ (14,288)	\$ 17,244
Increase (decrease) from change in general inflation	\$ 17,590	\$ (14,647)	\$ 12,472	\$ (15,060)
Increase (decrease) from change in excess medical inflation rate	\$ 3,701	\$ (2,700)	\$ 3,315	\$ (4,599)

##### (h) Claims development

The following table shows the development of claims cost estimates for the nine most recent injury years:

Estimate of Ultimate Claim Payments	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
At end of accident year	24,789	19,067	18,600	21,347	25,921	21,817	21,869	28,488	26,858	78,616	
One year later	25,327	19,126	25,298	21,507	26,159	23,627	20,864	29,145	27,867		
Two years later	25,644	20,206	25,960	21,396	26,454	24,671	21,429	30,071			
Three years later	25,866	17,997	25,536	21,396	27,147	24,900	24,793				
Four years later	29,776	17,221	25,446	21,578	27,060	22,255					
Five years later	30,928	16,997	26,207	24,740	27,106						
Six years later	32,213	18,297	29,758	23,868							
Seven years later	30,324	17,918	29,921								
Eight years later	29,504	17,720									
Nine years later	30,028										
<b>Cumulative Payments</b>											
At end of accident year	3,757	3,801	3,879	4,129	4,094	3,821	3,319	4,226	4,827	4,178	
One year later	6,590	6,081	6,673	6,654	6,662	6,323	5,256	7,127	8,453		
Two years later	7,890	6,773	7,856	7,717	7,959	7,614	6,107	8,757			
Three years later	9,018	7,775	8,478	8,332	8,644	8,164	6,770				
Four years later	9,870	7,590	9,340	8,843	9,364	8,822					
Five years later	10,623	7,899	9,971	9,451	9,874						
Six years later	11,173	8,205	10,468	9,945							
Seven years later	11,708	8,481	10,963								
Eight years later	12,711	8,750									
Nine years later	12,737										
Estimate of Future Payments	17,296	8,970	18,958	13,924	17,232	13,434	17,523	21,314	19,413	24,438	172,502
2013 and prior claims											99,885
Effect of Discounting											(120,007)
Effect of Admin Expenses											23,012
Effect of Occupational Disease Liability											23,932
Liability for Incurred Claims											\$ 199,324

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 11. Insurance contract liability (continued)

##### (h) Claims development (continued)

During the year ended December 31, 2023, the Investigations Unit continued to monitor ongoing investigations. The outcome of the investigations is not determinable at this time and therefore, the potential future effect of these claims is not reflected in the insurance contract liability.

#### 12. Employee Benefits

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	31-Dec-23	31-Dec-22
Short-term employee benefits	\$ 792	\$ 744
Other long-term employee benefits (a)	1,163	1,159
Post-employment benefits (b)	1,904	1,782
	<hr/>	<hr/>
	\$ 3,859	\$ 3,685

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Short-term benefits included in the above amounts are expected to be paid within the next 12 months.

##### (a) Other long-term employee benefits

Long service vacation leave is an additional five days of vacation leave available to employees who have completed five years of continuous service with the Board and on each five year anniversary date thereafter.

Employees receive six days of special leave credits for each year of service up to a maximum of 30 days. Unused special leave is not payable upon termination or retirement.

Unused sick leave credits accumulate and are carried forward to a maximum of 180 days. A retiring employee may convert up to one third as pre-retirement leave.

The balance in the liability accrual for accumulating sick and special leave benefits and long service vacation for the year was:

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	31-Dec-23	31-Dec-22
Long service vacation benefits	\$ 52	\$ 44
Accumulating sick and special leave benefits	1,111	1,115
	<hr/>	<hr/>
	\$ 1,163	\$ 1,159

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 12. Employee Benefits (continued)

##### (a) Other long-term employee benefits (continued)

The movement in the accrual for other long-term benefits for the year was:

	31-Dec-23	31-Dec-22
Benefits, beginning of year	\$ 1,159	\$ 1,200
Current service cost	89	95
Payments made during the year	(207)	(50)
Interest cost	55	32
Other changes	(16)	(79)
Actuarial loss (gain)	83	(39)
<b>Benefits, end of year</b>	<b>\$ 1,163</b>	<b>\$ 1,159</b>

Actuarial loss (gain) remeasurements:

	31-Dec-23	31-Dec-22
Effect of changes in financial assumptions	\$ 73	\$ (39)
Effect of changes in demographic assumptions	10	-
<b>Remeasurement in loss (gain) in surplus or deficit</b>	<b>\$ 83</b>	<b>\$ (39)</b>

##### (b) Post-employment Benefits

###### (i) Retirement and Severance Benefit

Retirement or severance benefits are available to employees who have completed five years of service with the Board. Retirement benefits are one week of pay for each year of service. Severance benefits are half a week of pay for each year of service to a maximum of twenty-eight weeks.

Beginning January 1, 2020, management employees are no longer eligible to receive any further accruals related to severance payable on resignation or retirement. Severance entitlements accrued up to December 31, 2019, are payable upon resignation or retirement.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 12. Employee Benefits (continued)

##### (b) Post-employment Benefits (continued)

##### (i) Retirement and Severance Benefit (continued)

The movement in the accrual for retirement and severance benefits for the year was:

	31-Dec-23	31-Dec-22
Benefits, beginning of year	\$ 1,782	\$ 1,929
Current service cost	89	97
Payments made during the year	(355)	(382)
Interest cost	85	48
Other changes	100	172
Actuarial loss (gain)	203	(82)
<b>Benefits, end of year</b>	<b>\$ 1,904</b>	<b>\$ 1,782</b>

Actuarial loss (gain) remeasurements:

	31-Dec-23	31-Dec-22
Effect of changes in financial assumptions	\$ 203	\$ (82)
<b>Remeasurement loss (gain) in OCI</b>	<b>\$ 203</b>	<b>\$ (82)</b>

The plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation. The risk of default is low as the Fund is in a strong financial position.

The key assumptions used to calculate the retirement and severance benefit are the discount rate and the wage inflation rate. The discount rate of 4.60% (2022 – 5.00%) is selected by reference to a spot curve at the valuation date of high-quality corporate and provincial debt instruments with cash flows that match the timing and amount of the expected benefit payments. The annual rate of general escalation in wages for the bargaining unit is 3.0% for 2023 and 2024 (2022 – 3.0%) and 2.25% for 2025 and beyond (2022 – 2.25% for 2023 and beyond) based on management's best estimate. The annual rate of general escalation in wages for the management group is 2.0% for 2023 and 4.75% for 2024 (2022 – 3.0%) and 2.25% for 2025 and beyond (2022 – 2.25% for 2023 and beyond) based on management's best estimate.

The expected Fund contributions for retirement and severance for the next year are \$336,000 (2022 – \$355,000). The weighted average duration of the retirement and severance benefit is 6.1 years (2022 – 7.1 years).

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 12. Employee Benefits (continued)

##### (b) Post-employment Benefits (continued)

##### (ii) Retirement and Severance Benefit Risks and Sensitivity

The retirement and severance benefit is indirectly exposed to measurement risk from assumptions based on economic factors and uncertainty of future economic conditions, such as discount rates affected by volatile bond markets and inflation risk due to payment timing uncertainty. Demographic factors such as workforce average age and earnings levels, attrition and retirement rates affect current and future benefit costs due to the amount and timing of expected payments.

A change in the key assumptions used to calculate these benefits would result in a change in the obligation and benefit expense as follows:

Percentage change in assumed rates	31-Dec-23		31-Dec-22	
	+1%	-1%	+1%	-1%
Increase (decrease) from change in discount rate	\$ (111)	\$ 126	\$ (103)	\$ 116
Increase (decrease) from change in wage inflation rate	\$ 125	\$ (113)	\$ 117	\$ (105)

The above sensitivity analysis is based on a change in an assumption while keeping all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. The same method of calculation has been applied to the sensitivity analysis as to the calculation of the retirement and severance benefit obligation, the projected unit credit method, and did not change compared to the prior year.

##### (iii) Public Service Pension Plan

Substantially all of the employees of the Board are covered by the Public Service Pension Plan (the "Plan"), a multi-employer contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both employees and the Fund. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution.

The employer contribution rates effective for the year were as follows:

Contribution rate for the year	31-Dec-23		31-Dec-22	
	Up to Maximum	Above Maximum	Up to Maximum	Above Maximum
For employees eligible before January 1, 2013	1.02	5.29	1.02	5.91
For employees eligible after January 1, 2013	1.00	5.29	1.00	5.91
Maximum salary limit	\$ 196,200	No limit	\$ 191,300	No limit



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 12. Employee Benefits (continued)

##### (b) Post-employment Benefits (continued)

##### (iii) Public Service Pension Plan (continued)

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two per cent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada/Québec Pension Plan benefits and they are indexed to inflation. For employees joining the plan after January 1, 2013, the normal retirement age has been raised from age 60 to age 65.

Contributions made to the Public Service Pension Plan by the Fund and the employees for the year were as follows:

	31-Dec-23	31-Dec-22
Employees' contributions	\$ 782	\$ 801
Fund contributions	\$ 792	\$ 812

The expected contributions to the Plan for the next year are \$834,000 (2022 – \$836,000) employee contributions and \$870,000 (2022 – \$879,000) Fund contributions.

##### (c) Benefit expense

Benefit expense recognized in salaries and benefits within administration expenses in the Statement of Operations and Comprehensive Income for other long-term employee benefits and post-employment benefits was \$1,194,000 in 2023 (2022 – \$1,143,000).

#### 13. Capital Management and Surplus Distributions

##### (a) Capital management

The Workers' Safety and Compensation Act establishes that one of the purposes of the Act is to maintain a solvent Compensation Fund managed in the interest of workers and employers. To ensure that the Fund is able to meet its financial obligations, premiums charged to employers over time must be sufficient to cover current and future costs of all claims incurred by injured workers. These insurance revenues, combined with investment returns, are designed to provide the foundation for the Fund to meet all current and future obligations for injured workers.

The Board of Directors uses the Funding Policy to manage capital, which is the net difference between assets and liabilities or equity. The Funding Policy provides guidance to maintain a financially sustainable system. The Policy directs the Board to ensure sufficient equity is maintained in the Fund to stabilize the effect of fluctuations in the employer assessment rates and investment returns. The Fund is considered fully funded when there are sufficient funds for the payment of all present and future compensation, and other liabilities, including the cost of administration.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 13. Capital Management and Surplus Distributions (continued)

##### (a) Capital management (continued)

Prior to 2023, an adverse events reserve and stabilization reserve were presented as separate components within equity. However, due to the adoption of IFRS 17, the Fund issued a new Funding Policy which calculates the stabilization reserve and adverse events reserve based on a separate actuarial valuation which uses a different discount rate that is equal to the expected long term rate of return on the Fund's investments. The new Funding Policy is strictly for rate setting purposes, and the reserves are not related to holders of equity claims. As a result, the reserves are no longer presented as separate components within equity. The adverse events reserve of \$27,233,000 and stabilization reserve of \$31,799,000 at December 31, 2022 (\$26,933,000 and \$53,224,000 at January 1, 2022, respectively) have been reclassified into equity to conform to the current year presentation.

##### (b) Surplus Distributions

In 2023, no surplus distribution was approved (2022 - no surplus distribution). In 2023 and 2022, no recoveries occurred related to previously approved surplus distributions.

Reconciliation of surplus distributions payable:

	31-Dec-23	31-Dec-22
Surplus distributions payable, beginning of year	\$ -	\$ 22
Prior year surplus distributions adjustments	-	(22)
<b>Surplus distributions payable, end of year</b>	<b>\$ -</b>	<b>\$ -</b>

#### 14. Related Party Transactions

##### (a) Government of Yukon

The Board is a territorial entity with delegated powers on behalf of the Government of Yukon (the "Government") and is related to its departments, agencies and corporations. The Board enters into transactions with the Government and its related entities in the normal course of business, and the transactions are recorded at fair value.

Included in the Fund's accounts receivable, insurance contract assets, insurance contract liabilities and accounts payable as of December 31, 2023, are amounts owing to and from the Government and its related entities as follows:

	31-Dec-23	31-Dec-22
Due to the Government and its related entities	\$ (1,036)	\$ (1,049)
Due from the Government and its related entities	532	716
<b>Net amount due</b>	<b>\$ (504)</b>	<b>\$ (333)</b>



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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 14. Related Party Transactions (continued)

##### (a) Government of Yukon (continued)

During 2023, the Compensation Fund paid the Government and its related entities \$382,000 (2022 – \$398,000) for computer, office supplies, payroll processing, recruitment and training. The Fund also reimbursed the Government for payroll costs of \$10,374,000 (2022 – \$10,194,000).

Revenues and miscellaneous income from the Government and its related entities for the year ended December 31, 2023, totalled \$11,144,000 (2022 – \$10,669,000), including assessment premiums of \$10,475,000 (2022 – \$9,859,000), the Mine Safety Program Grant \$330,000 (2022 – \$330,000), and reimbursements for claims costs received from the Government of \$311,000 (2022 – \$343,000).

The Workers' Advocate Office operates independently from the Board and assists workers or dependants of workers in respect of claims for compensation. The approved budget of the Workers' Advocate shall be paid out of the Compensation Fund. In 2023, the Fund reimbursed the Government \$360,000 (2022 – \$361,000) for the Workers' Advocate Office expenses.

##### (b) Key management personnel

The remuneration of key management personnel, which includes the members of the Board of Directors and the senior management team, recognized as an expense during the period was:

	31-Dec-23	31-Dec-22
Short-term employee compensation and benefits	\$ 1,513	\$ 1,473
Other long-term employee benefits	20	-
Post employment benefits	203	174
<b>Total remuneration</b>	<b>\$ 1,736</b>	<b>\$ 1,647</b>

Contributions made to the Public Service Pension Plan by the Fund for key management personnel were \$143,000 (2022 – \$139,000) and are included in post-employment benefits.

As at the reporting date, there were no business relationships, outstanding amounts or transactions other than compensation between the Fund and its key management personnel.

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 15. Commitments

As of December 31, 2023, the Fund had entered into the following contractual commitments for the next five years:

	Contribution agreements	Computer systems support	Professional services	Building construction & maintenance	Other	Total
2024	\$ 737	\$ 424	\$ 848	\$ 2,729	\$ 75	\$ 4,813
2025	667	-	167	-	17	851
2026	642	-	-	-	-	642
2027	655	-	-	-	-	555
2028	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,701</b>	<b>\$ 424</b>	<b>\$ 1,015</b>	<b>\$ 2,729</b>	<b>\$ 92</b>	<b>\$ 6,961</b>

#### 16. Other General and Administration Expenses

The table below presents expenditures by type:

	31-Dec-23	31-Dec-22 (Restated - Note 3)
Salaries and benefits	\$ 10,058	\$ 9,752
Consulting and professional	1,262	1,255
Amortization - intangible assets	772	1,021
Computer systems support and licences	1,015	811
Prevention	1,020	799
Depreciation - property and equipment	582	534
Building maintenance	472	507
Statutory funding obligations	568	552
General administration	824	331
Communications	181	206
Other provisions	124	100
Automobile and travel	122	97
Board expenses	63	83
Staff and recruitment	92	69
Printing and publications	54	46
Supplies and stationery	35	45
Furniture and equipment	77	9
	<b>\$ 17,321</b>	<b>\$ 16,217</b>
less allocation to insurance administrative expenses (Note 17)	(14,642)	(13,083)
<b>Other general and administration expenses</b>	<b>\$ 2,679</b>	<b>\$ 3,134</b>

## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

#### 16. Other General and Administration Expense (continued)

The table below presents expenditures by program cost center:

	31-Dec-23	31-Dec-22 (Restated - Note 3)
Administration	\$ 13,027	\$ 11,992
Occupational health and safety	2,056	2,152
Act and regulation amendments	355	512
Workers' advocate	360	361
Employer advisor	172	91
Appeal tribunal	207	210
Prevention	1,020	799
Other provisions	124	100
	\$ 17,321	\$ 16,217
less allocation to insurance administrative expenses (Note 17)	(14,642)	(13,083)
Other general and administration expenses	\$ 2,679	\$ 3,134

#### 17. Insurance Service Expense and Insurance Finance Income (Loss)

The breakdown of insurance service expense is presented below:

	31-Dec-23	31-Dec-22
Incurred claim expenses	\$ 18,514	\$ 17,725
Insurance administrative expenses (Note 16)	14,642	13,083
Incurred claims and other expenses	\$ 33,156	\$ 30,808
Loss on onerous contracts	989	2,059
Reversal of losses on onerous contracts	(989)	(2,059)
Change to liability for incurred claims	(149)	(7,170)
Insurance service expense	\$ 33,007	\$ 23,638
	31-Dec-23	31-Dec-22
Insurance finance income (loss) from insurance contracts issued:		
Interest accreted to insurance contracts using current financial assumptions	\$ (9,097)	\$ (6,651)
Due to changes in discount rate	(6,138)	29,066
Due to changes in other financial assumptions	(767)	(1,233)
Total insurance finance income (loss) from insurance contracts issued	\$ (16,002)	\$ 21,182

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## Compensation Fund

### Notes to Financial Statements

December 31, 2023 (tabular amounts in thousands of Canadian dollars)

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#### 18. Contingencies

Due to the nature of the Board's operations, various legal matters are pending. In the opinion of management, these matters are not expected to have a material effect on the Fund's financial position or results of operations. These various legal matters include certain confidentiality clauses; to avoid prejudicing these claims, no further information is disclosed.

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