Nova Scotia Utility and Review Board
Financial Statements
March 31, 2018

Contents

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The accompanying financial statements are the responsibility of management of the Nova Scotia Utility and Review Board ("Board") and have been prepared in compliance with legislation and generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The integrity and objectivity of these financial statements are management's responsibility.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Chair of the Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through regular meetings with them. The Chair met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to approval of the financial statements.

The external auditors, Levy Casey Carter MacLean, conducted an independent examination, in accordance with Canadian auditing standards, and expressed their opinion on the financial statements. The external auditors have full and free access to the financial management of the Board and meet with Board staff when required.

On behalf of management of the Nova Scotia Utility and Review Board:

Paul G. Allen, CPA, CA
Executive Director

Sheri L. Aisthorpe, MPA, CPA, CMA
Controller

June 26, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE CHAIR AND MEMBERS
OF THE NOVA SCOTIA UTILITY AND REVIEW BOARD:

Levy Casey Carter MacLean
Chartered Professional Accountants

Stuart S. MacLean Inc.
J.E. Melvin Inc.
Greg T. Strange Inc.
Tracey Wright Inc.
Angela Kinley Inc.

We have audited the accompanying financial statements, which comprise the statement of financial position of the Nova Scotia Utility and Review Board as at March 31, 2018 and the statement of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements 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 Board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Nova Scotia Utility and Review Board as at March 31, 2018, and the results of its operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Levy Casey Carter MacLean

Halifax, Nova Scotia
June 26, 2018

Chartered Professional Accountants
Licensed Public Accountants

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NOVA SCOTIA UTILITY AND REVIEW BOARD
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2018

FINANCIAL ASSETS	2018	2017
Cash and cash equivalents	$ 1,529,861	$ 471,669
Investments (note 4)	488,990	1,560,922
Accounts receivable	1,904,422	1,689,548
Due from related parties (note 10)	350,059	476,961
	4,273,332	4,199,100
LIABILITIES		
Payables and accruals	1,072,827	798,411
Due to related parties (note 10)	3,181	18,704
Advances for working capital (note 5 and note 10)	125,000	125,000
Post retirement benefits liability (note 7)	1,453,723	1,717,641
	2,654,731	2,659,756
Net financial assets	1,618,601	1,539,344
NON-FINANCIAL ASSETS		
Tangible capital assets (page 16)	52,785	97,940
Prepaid expenses	88,895	95,478
	141,680	193,418
Accumulated surplus (page 17)	$ 1,760,281	$ 1,732,762

Contractual obligations (note 11)

NOVA SCOTIA UTILITY AND REVIEW BOARD
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2018

REVENUES	2018 Budget (Note 14)	2018 Actual	2017 Actual
Government operating grants (note 2 and 10)	**$ 1,986,000**	**$ 1,986,000**	$ 1,970,000
Recoveries (note 8)	**1,634,000**	**4,643,261**	4,333,999
Assessments to utilities (note 2)	**2,105,000**	**2,105,000**	2,092,000
Interest income	**35,000**	**34,077**	29,796
	5,760,000	**8,768,338**	8,425,795
EXPENDITURES			
Quasi-judicial (page 18)	**5,660,000**	**8,663,476**	8,396,913
Motor carrier administration (page 18)	**100,000**	**77,343**	91,470
	5,760,000	**8,740,819**	8,488,383
Operating surplus (deficit)	**-**	**27,519**	(62,588)
Accumulated surplus, beginning of the year	**1,732,762**	**1,732,762**	1,795,350
Accumulated surplus, end of the year (page 17)	**$ 1,732,762**	**$ 1,760,281**	$ 1,732,762

NOVA SCOTIA UTILITY AND REVIEW BOARD
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget (Note 14)	2018 Actual	2017 Actual
Operating surplus (deficit)	$ -	$ 27,519	$ (62,588)
Acquisition of tangible capital assets (page 16)	(12,000)	(8,491)	(71,998)
Amortization of tangible capital assets (page 16)	52,000	53,646	53,950
	40,000	45,155	(18,048)
Acquisition of prepaid expense	(60,000)	(88,895)	(95,478)
Use of prepaid expense	60,000	95,478	67,324
	-	6,583	(28,154)
Change in net financial assets	40,000	79,257	(108,790)
Net financial assets, beginning of the year	1,539,344	1,539,344	1,648,134
Net financial assets, end of the year	$ 1,579,344	$ 1,618,601	$ 1,539,344

NOVA SCOTIA UTILITY AND REVIEW BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
Operating activities		
Operating surplus (deficit)	$ 27,519	$ (62,588)
Amortization of tangible capital assets	53,646	53,950
Net change in non-cash working capital balances related to operations (note 9)	(86,414)	(45,203)
Cash provided (used) by operating activities	(5,249)	(53,841)
Capital activities		
Purchase of tangible capital assets	(8,491)	(71,998)
Cash used by capital activities	(8,491)	(71,998)
Investing activities		
Purchases of investments	(488,990)	(723,851)
Proceeds on redemption of investments	1,560,922	793,104
Cash provided (used) by investing activities	1,071,932	69,253
Increase (decrease) in cash during the year	1,058,192	(56,586)
Cash and cash equivalents, beginning of the year	471,669	528,255
Cash and cash equivalents, end of the year	$ 1,529,861	$ 471,669

1. Incorporation

The Nova Scotia Utility and Review Board (Board) was created on December 14, 1992, through the proclamation of the *Utility and Review Board Act*, Chapter 11 of the Acts of 1992. The Act consolidated the operations of the former Board of Commissioners of Public Utilities, Municipal Board, Expropriations Compensation Board, and Tax Review Board. All assets and liabilities of the former boards were transferred to and assumed by the Nova Scotia Utility and Review Board.

2. Authority

The Board has those functions, powers and duties conferred upon it through Section 4 of the *Utility and Review Board Act* and various other statutes and regulations. Several statutes or regulations allow for the recovery of direct and indirect expenses for activities relating to those acts (see note 8). Any operating surpluses or deficits, other than for Petroleum Products Pricing, are allocated to the Province and the public utilities based on the prorata share of revenue contributed.

3. Significant accounting policies

These financial statements have been prepared using the following significant accounting policies:

(a) Basis of presentation

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(b) Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

(c) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the operating surplus or deficit, provides the change in net financial assets for the year.

3. Significant accounting policies (continued)

(d) Tangible capital assets

Tangible capital assets are recorded at cost, which includes all costs directly attributable to the acquisition, construction, development, installation or betterment of the tangible capital asset. The Board capitalizes assets with a value greater than $2,500 and a useful life greater than one year. The asset is amortized over its useful life as follows:

Furniture	straight line over 10 years
Computer equipment	straight line over 3 years
Computer software	straight line over 3 years
Equipment	straight line over 5 years

(e) Revenues

Revenues are recorded on an accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. Recoveries revenue is recognized as the related expenditures occur. Assessment revenue is recognized when invoiced. Government transfers are recognized as revenue in the period during which the transfer is authorized and any eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

(f) Financial instruments

All financial instruments are measured using either the amortized cost method or the fair value method. Financial instruments included in the amortized cost category are recorded at either cost or amortized cost using the effective interest rate method. Transaction costs are included in the initial cost of financial instruments recognized using the cost method. Financial instruments included in the fair value category are initially recorded at fair value with each subsequent change in fair value recognized in the statement of remeasurement gains and losses (see note 12) until such time that the financial instrument is derecognized. When the financial instrument is derecognized the accumulated remeasurement gain or loss is reversed and recognized on the statement of operations. Transaction costs associated with financial instruments in the fair value category are expensed when incurred.

3. Significant accounting policies (continued)

(f) Financial instruments (continued)

Accounts receivable, payables and accruals, and post retirement benefits liability are recorded using the amortized cost method. Cash and investments are recorded using the fair value method utilizing quoted prices in active markets to determine the fair value.

(g) Measurement uncertainty

Uncertainty in the determination of the amount at which an item is recorded in the financial statements is known as measurement uncertainty. Such uncertainty exists when there could be a material difference between the recognized amount and another reasonably possible amount, as there is whenever estimates are used. The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the period. The post retirement benefits liability is an item requiring the use of significant estimates because actual results may differ significantly from the various assumptions about plan members and economic conditions in the marketplace.

Estimates are based upon the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements and actual results could differ from these estimates.

4. Investments

Investments include a two year laddered GIC portfolio with an average yield of 1.73% maturing between April 3, 2018 and September 12, 2019. The post-retirement benefits liability of $1,453,723 (2017 - $1,717,641) is funded through a combination of investments and an allocation of cash.

5. Advances for working capital

An amount of $125,000 is owed to the Province of Nova Scotia as an advance for working capital. The advance is non-interest bearing with no set terms of repayment.

6. Pensions

(a) Public service superannuation fund

Pursuant to Section 10 of the *Utility and Review Board Act*, all full time employees of the Board are entitled to receive pension benefits under the *Public Service Superannuation Act*. The plan is funded by equal employee and employer contributions. The employer's contributions are included in the Board's operating expenses and totaled $323,974 (2017 - $310,308). The Board is not responsible for any unfunded liability.

7. Post retirement benefits

The Board sponsors two defined benefits retirement programs, other than the pensions, for substantially all of its employees. First, Public Service Awards are paid on similar conditions to those found in the *Civil Service Act* to eligible employees retiring from service. Next, the Board contributes 65% of the cost of medical plan premiums on behalf of retiring employees and their survivors.

The accrual of service under the Public Service Award ceased August 11, 2015. In fiscal 2018 eligible employees were given a one-time option of electing to receive an immediate payout of their entitlement. Employees not electing an immediate payout of their Public Service Award entitlement continue to be paid upon retirement based on their salary at retirement.

As only a few employees did not elect to receive an immediate payout, the remaining retirement benefit liability for the Public Service Award at March 31, 2018 was recorded at the current salary rates in effect as at that date. All unamortized gains and losses relating to the Public Service Award were recognized in fiscal 2018 expenses.

The Board is responsible for funding and eventual payment of all benefit programs as described above. The Board may fund post retirement benefit obligations through a combination of cash, investments and other assets. This obligation is fully funded as of March 31, 2018.

Actuarial valuations for accounting purposes are performed triennially. The most recent actuarial report was prepared at March 31, 2017. The valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage and salary increases, and employee turnover and mortality. The assumptions used reflect the Board's best estimates.

Specific assets earmarked to fund the post retirement benefits are currently held in investments and cash and are valued at market value. However, these assets have not been recognized in the disclosure presented below. Instead, the post retirement benefit fund assets are discussed in note 4.

Information about the post retirement obligations as at March 31, 2018 is as follows:

	March 31 2018	March 31 2017
Post retirement benefits accrued benefit obligation		
Accrued benefit obligation, beginning of year	**$ 1,891,377**	$ 1,667,388
Retirement benefit service cost for the year	**46,689**	46,793
Past Service Cost	**-**	17,766
Benefit payments	**(385,584)**	(61,348)
Interest on accrued benefit obligation	**27,753**	33,203
Settlement losses at end of year	**15,506**	-
Actuarial (gains) losses at end of year	**(88,006)**	187,575
Accrued benefit obligation, end of year	**$ 1,507,735**	$ 1,891,377

7. Post retirement benefits (continued)

	March 31 2018	March 31 2017
Unamortized gains (losses)		
Unamortized actuarial (losses) gains, beginning of year	**$ (173,736)**	$ 36,120
Actuarial gains (losses) - accrued benefit obligation	**88,006**	(187,575)
Amortization recorded during the year	**31,718**	(22,281)
Unamortized actuarial losses end of year	**$ (54,012)**	$ (173,736)
Liability recorded on the Statement of Financial Position		
Accrued benefit obligation, closing balance	**$ 1,507,735**	$ 1,891,377
Unamortized actuarial losses	**(54,012)**	(173,736)
Post retirement benefits liability	**$ 1,453,723**	$ 1,717,641
Post retirement benefits expense		
Retirement benefit service cost for the year	**$ 46,689**	$ 46,793
Past service cost	**-**	17,766
Settlement cost incurred during the year	**15,506**	-
Interest on accrued benefit obligation	**27,753**	33,203
Amortization of actuarial losses (gains)	**31,718**	(22,281)
Post retirement benefits expense	**$ 121,666**	$ 75,481

The significant assumptions adopted in measuring the Board's accrued benefit obligations are as follows:

Liability discount rate	
Fiscal 2018 expense:	1.50% per year
Fiscal 2018 disclosure and projected Fiscal 2019 expense:	1.50% per year
General inflation	
Fiscal 2018 expense:	2.00% per year
Fiscal 2018 disclosure and projected Fiscal 2019 expense:	2.00% per year
Extended health care cost increases Fiscal 2018 expense:	6.33% for the period ending April 1, 2018; decreasing at 0.167% per year to an ultimate rate of 4.5% per year

7. Post retirement benefits (continued)

Extended health care cost increases Fiscal 2018 disclosure and projected Fiscal 2019 expense:	(6.00%) for the period ending April 1, 2018; 6.667% for period ending April 1, 2019; decreasing at 0.167% per year to an ultimate rate of 4.5% per year
Rate of compensation increase Fiscal 2018 expense:	0.00% to 2.50% depending on age

8. Recoveries

Consultants are engaged by the Board to provide advice related to matters such as utility and natural gas operations and to provide expert testimony during hearings. Consulting fees for specific hearings are generally recovered directly from the entities involved. Expenses and recoveries relating to large hearings cannot be reasonably predicted or estimated in advance. Accordingly, no provision is made for these activities in the budget figures shown in the Statement of Operations and Accumulated Surplus.

Section 15 of the *Public Utilities Act* requires the Board to estimate its expenses in administering that Act and assess them against the public utilities of the Province.

Certain direct and indirect expenses incurred by the Board in relation to its duties pursuant to the *Municipal Government Act*, *Halifax Regional Municipal Charter*, *Liquor Control Act, Gaming Control Act, Theatre and Amusements Act, and Consumer Protection Act* may be recovered from the Province of Nova Scotia. Regulations made pursuant to Sections 41 and 42 of the *Gas Distribution Act* and Section 44 of the *Pipeline Act* allow the Board to recover certain expenses for activities relating to those Acts from permit holders and licensees. The Board recovers direct and indirect costs incurred for activities under the *Insurance Act* by way of levies against insurers.

Regulations made under the *Petroleum Products Pricing Act* permit the Board to recover direct and indirect costs relating to setting prices for gasoline and diesel oil by way of a monthly assessment fee against wholesalers and wholesale-retailers.

The *Assessment Appeal Cost Recovery Regulations*, made under the *Assessment Act,* require the Board to recover direct and indirect costs incurred for assessment appeals from Property Valuation Services Corporation.

8. Recoveries (continued)

The Board also recovers certain transcription, copying and other expenses from various sources. Recoveries by mandate are as follows:

	2018	2017
Public utilities	**$ 2,934,718**	$ 2,641,796
Automobile insurance	**758,458**	643,285
Natural gas	**315,855**	362,693
Petroleum products pricing	**234,133**	253,638
Assessment	**182,885**	223,117
Motor carrier	**54,320**	55,198
Alcohol, gaming and amusements	**4,498**	16,076
All other recoveries	**158,394**	138,196
	$ 4,643,261	$ 4,333,999

9. Net change in non-cash working capital balances related to operations

Increase (decrease) in cash from changes in:	**2018**	2017
Accounts receivable	**$ (214,874)**	$ 276,102
Due from related parties	**126,902**	78,920
Prepaid expenses	**6,583**	(28,154)
Due to related parties	**(15,523)**	10,475
Post retirement benefits liability	**(263,918)**	14,133
Payables and accruals	**274,416**	(396,679)
	$ (86,414)	$ (45,203)

10. Related party transactions

The Board is a quasi-judicial tribunal operating independently from the Government of the Province of Nova Scotia. A significant amount of the funding for the Board is provided from the Consolidated Fund of the Province through a grant pursuant to a public service vote.

Direct expenses incurred by the Board in relation to its duties pursuant to the *Liquor Control Act* and *Theatre and Amusement Act,* the regulation of petroleum products pricing under the *Petroleum Products Pricing Act,* and payday loans under the *Consumer Protection Act* were recovered from the Office of Service Nova Scotia.

The Board sublets a portion of its office premises to government departments. The costs of the sublets is recovered from those departments.

10. Related party transactions (continued)

Transactions with the Province by financial statement category are as follows:

	2018	2017
Statement of Operations		
Grant from the Province of Nova Scotia	**$ 1,986,000**	$ 1,970,000
Recoveries		
Alcohol, gaming and amusements adjudicative costs	**$ 4,498**	$ 16,076
Petroleum products pricing mandate	**$ 234,133**	$ 253,638
Motor Carrier Division (Transportation and Infrastructure Renewal)	**$ 54,320**	$ 55,198
Labour Board (Labour and Advanced Education)	**$ 111,450**	$ 104,511
Other recoveries	**$ 35,819**	$ 36,722
Statement of Financial Position		
Due from related parties	**$ 350,059**	$ 476,961
Due to related parties	**$ 3,181**	$ 18,704
Advances for working capital	**$ 125,000**	$ 125,000
Surplus (page 17)	**$ 987,894**	$ 992,409

The transactions described above were recorded at the exchange amount which was the agreed upon amount by the parties.

11. Contractual obligations

The Board has entered into lease agreements for its premises until October 31, 2024. The annual rent consists of a minimum rent plus the Board's portion of common costs such as maintenance, power, water and property taxes. Minimum rent payable for premises, including common costs, in aggregate and for the next five years is as follows:

2019	678,790
2020	678,790
2021	678,790
2022	678,790
2023	678,790
Subsequently	1,074,751
	$ 4,468,701

Approximately 1,508 square feet of the Board's premises has been sublet to the Department of Transportation and Infrastructure Renewal and approximately 3,131 square feet has been sublet to the Labour Board (Department of Labour and Advanced Education).

During the year the Board amended its existing lease to add an additional 1594 square feet which has been sublet to the Labour Board. Rent payments on this additional space will begin in April 2018.

12. Statement of remeasurement gains and losses

The Board has no significant remeasurement gains or losses, therefore no statement of remeasurement gains or losses has been provided.

13. Financial instruments

The following are the significant risks that the Board is exposed to through its financial instruments:

(a) Credit risk

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 carrying amount of financial assets represents the maximum credit exposure. The Board's main credit risks relate to its accounts receivable. In order to reduce its credit risk, the Board has adopted credit policies which include the analysis of the financial position of its customers and the regular review of their credit limits. The Board does not have a significant exposure to any individual customer or counterpart. Management reviews accounts receivable on a case by case basis to determine if an allowance is necessary to reflect an impairment in collectability.

(b) 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 market interest rates. The Board has investments in GIC's which bear interest at fixed rates. Consequently, the Board's exposure to interest rate risk on these investments is minimal. The Board has an authorized line of credit of $250,000 with interest payable monthly at a rate of prime plus 0.50%. As security, the Board has pledged certain accounts receivable. Changes in the bank's prime lending rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this facility as of March 31, 2018.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(d) Liquidity risk

Liquidity risk is the risk that the Board will encounter difficulty in meeting its obligations associated with its financial liabilities as they become due. The Board's ability to meet its obligations depends on the receipt of funds whether in the form of revenue or advances. Annually, the Board estimates its working capital requirements and may restrict a certain portion of its surplus every year for the purpose of ensuring there is adequate funds available to meet working capital requirements. Management believes its exposure to liquidity risk is low.

14. Budget Information

The budget figures presented are for comparison purposes and are unaudited. The budget is approved annually by the Chair of the Board.

NOVA SCOTIA UTILITY AND REVIEW BOARD
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2018

2018

	Cost				**Accumulated Amortization**				
	Opening	Additions	Disposals	Closing	Opening	Amortization	Disposals	Closing	**Net Book Value**
Furniture	$ 235,258	$ -	$ 1,405	$ 233,853	$ 225,659	$ 4,172	$ 1,405	$ 228,426	**$ 5,427**
Computer equipment	71,744	8,491	2,650	77,585	57,090	17,483	2,650	71,923	**5,662**
Computer software	180,546	-	-	180,546	155,152	16,705	-	171,857	**8,689**
Equipment	224,429	-	10,776	213,653	176,136	15,286	10,776	180,646	**33,007**
TOTAL	$ 711,977	$ 8,491	$ 14,831	$ 705,637	$ 614,037	$ 53,646	$ 14,831	$ 652,852	**$ 52,785**

2017

	Cost				Accumulated Amortization				
	Opening	Additions	Disposals	Closing	Opening	Amortization	Disposals	Closing	Net Book Value
Furniture	$ 237,988	$ -	$ 2,730	$ 235,258	$ 223,435	$ 4,954	$ 2,730	$ 225,659	$ 9,599
Computer equipment	74,394	-	2,650	71,744	45,087	14,653	2,650	57,090	14,654
Computer software	167,904	23,075	10,433	180,546	146,528	19,057	10,433	155,152	25,394
Equipment	182,655	48,923	7,149	224,429	167,999	15,286	7,149	176,136	48,293
TOTAL	$ 662,941	$ 71,998	$ 22,962	$ 711,977	$ 583,049	$ 53,950	$ 22,962	$ 614,037	$ 97,940

NOVA SCOTIA UTILITY AND REVIEW BOARD
SCHEDULE OF ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2018

	2018				2017			
	Province of Nova Scotia	**Petroleum Products Pricing**	**Public Utilities**	**TOTAL**	Province of Nova Scotia	Petroleum Products Pricing	Public Utilities	TOTAL
Internally restricted								
Balance, beginning of year	**$ 643,990**	**$ -**	**$ 415,010**	**$ 1,059,000**	$ 767,990	$ -	$ 491,010	$ 1,259,000
Transferred (to) from general	**13,000**	**-**	**8,000**	**21,000**	(124,000)	-	(76,000)	(200,000)
Balance, end of year	**656,990**	**-**	**423,010**	**1,080,000**	643,990	-	415,010	1,059,000
Capital assets								
Balance, beginning of year	**76,323**	**1,464**	**20,153**	**97,940**	67,309	2,196	10,387	79,892
Current year purchases	**4,161**	**-**	**4,330**	**8,491**	34,559	-	37,439	71,998
Amortization of capital assets	**(25,928)**	**(732)**	**(26,986)**	**(53,646)**	(25,545)	(732)	(27,673)	(53,950)
Balance, end of year	**54,556**	**732**	**(2,503)**	**52,785**	76,323	1,464	20,153	97,940
Capital assets - future acquisitions								
Balance, beginning of year	**90,200**	**-**	**97,700**	**187,900**	104,870	-	109,130	214,000
Current year funding	**44,961**	**-**	**42,630**	**87,591**	19,889	-	26,009	45,898
Capital asset purchases	**(4,161)**	**-**	**(4,330)**	**(8,491)**	(34,559)	-	(37,439)	(71,998)
Balance, end of year	**131,000**	**-**	**136,000**	**267,000**	90,200	-	97,700	187,900
General								
Balance, beginning of year	**181,896**	**133,047**	**72,979**	**387,922**	104,435	86,163	51,860	242,458
Operating (deficit) surplus	**(4,515)**	**36,733**	**(4,699)**	**27,519**	(52,195)	46,152	(56,545)	(62,588)
Transferred from capital assets	**21,767**	**732**	**22,656**	**45,155**	(9,014)	732	(9,766)	(18,048)
Transferred to capital assets - future	**(40,800)**	**-**	**(38,300)**	**(79,100)**	14,670	-	11,430	26,100
Transferred from (to) internally restricted	**(13,000)**	**-**	**(8,000)**	**(21,000)**	124,000	-	76,000	200,000
Balance, end of year	**145,348**	**170,512**	**44,636**	**360,496**	181,896	133,047	72,979	387,922
Total accumulated surplus	**$ 987,894**	**$ 171,244**	**$ 601,143**	**$ 1,760,281**	$ 992,409	$ 134,511	$ 605,842	$ 1,732,762

The internally restricted surplus represents amounts restricted for working capital to ensure the ongoing and future operations of the Board.

The capital assets surplus represents the Board's net investment in capital assets.

The capital assets - future acquisitions surplus represents funds set aside by the Board for future capital asset acquisitions.

NOVA SCOTIA UTILITY AND REVIEW BOARD
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget			2018 Actual			2017 Actual		
	Quasi-judicial	Motor carrier	TOTAL	Quasi-judicial	Motor carrier	TOTAL	Quasi-judicial	Motor carrier	TOTAL
Salaries, wages and benefits	$ 4,191,000	$ -	$ 4,191,000	$ 4,217,628	$ -	$ 4,217,628	$ 4,181,161	$ -	$ 4,181,161
Consulting and legal fees	225,000	30,000	255,000	3,259,477	16,512	3,275,989	2,971,124	34,965	3,006,089
Rent and business taxes	701,000	56,000	757,000	680,162	56,283	736,445	643,848	53,509	697,357
Transcribing and printing	41,000	2,000	43,000	70,279	2,994	73,273	116,486	2,145	118,631
Staff training and development	70,000	-	70,000	71,608	-	71,608	58,467	-	58,467
Equipment	30,000	-	30,000	68,480	-	68,480	111,299	-	111,299
Travel	84,000	3,000	87,000	55,958	301	56,259	57,914	566	58,480
Amortization	52,000	-	52,000	53,646	-	53,646	53,950	-	53,950
Books and reports	42,000	-	42,000	48,229	-	48,229	51,530	100	51,630
Dues and fees	50,000	-	50,000	47,212	-	47,212	52,158	-	52,158
Office supplies and services	72,000	-	72,000	30,002	47	30,049	42,186	43	42,229
Advertising	15,000	9,000	24,000	19,421	748	20,169	18,617	-	18,617
Sundry expenses	22,000	-	22,000	19,159	100	19,259	12,923	35	12,958
Telecommunications	22,000	-	22,000	14,006	-	14,006	13,218	-	13,218
Maintenance	43,000	-	43,000	8,209	358	8,567	12,032	107	12,139
TOTAL	$ 5,660,000	$ 100,000	$ 5,760,000	$ 8,663,476	$ 77,343	$ 8,740,819	$ 8,396,913	$ 91,470	$ 8,488,383

Consultants are engaged by the Board to provide advice related to matters such as utility and natural gas operations and to provide expert testimony during hearings. Consulting fees for specific hearings are generally recovered directly from the entities involved. Expenses and recoveries relating to large hearings cannot be reasonably predicted or estimated in advance, accordingly, no provision is made for these activities in the budget.