

**Fleet Vehicle Agency
(A Special Operating Agency of
Yukon Government Services)
Balance Sheet
As at March 31, 1999
(thousands of dollars)**

	1999	1998
Assets		
<i>Current</i>		
Accounts receivable (note 3)	\$ 26	\$ 16
Capital assets (note 4)	2,393	2,560
	\$2,419	\$2,576

**Liabilities and Accumulated
Surplus**

<i>Current</i>		
Accounts payable and accrued liabilities	\$ 135	\$ 43
Due to Government of the Yukon (note 5)	594	1,318
	729	1,361
Accumulated surplus	1,690	1,215
	\$2,419	\$2,576

Legislative compliance (note 6)
The accompanying notes are an integral part of the financial statements.

Approved:

Deputy Minister
Yukon Government Services

Minister
Yukon Government Services

Fleet Vehicle Agency
(A Special Operating Agency of
Yukon Government Services)
Statement of Income
For the year ended March 31, 1999
(thousands of dollars)

	<u>1999</u>	<u>1998</u>
Revenue:		
Vehicle rentals and leases (note 3)	\$2,078	\$1,781
Gain (Loss) on disposal of capital assets	<u>(10)</u>	<u>26</u>
	<u>2,068</u>	<u>1,807</u>
Expenses:		
Vehicle service and repairs (note 3)	311	287
Registration and communications	27	17
Fuel	381	409
Vehicle rentals	236	184
Contract services (note 3)	30	30
Salaries and administration	274	246
Amortization	<u>434</u>	<u>420</u>
	<u>1,693</u>	<u>1,593</u>
Net income for the year	<u>\$ 375</u>	<u>\$ 214</u>

The accompanying notes are an integral part of the financial statements.

**Fleet Vehicle Agency
(A Special Operating Agency of
Yukon Government Services)
Statement of Accumulated Surplus
For the year ended March 31, 1999
(thousands of dollars)**

	<u>1999</u>	<u>1998</u>
Balance, beginning of year	\$1,215	\$1,001
Legislative appropriation	100	--
Net income for the year	<u>375</u>	<u>214</u>
Balance, end of year	<u><u>\$1,690</u></u>	<u><u>\$1,215</u></u>

The accompanying notes are an integral part of the financial statements.

Fleet Vehicle Agency
(A Special Operating Agency of
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Statement of Changes in Financial Position
For the year ended March 31, 1999
(thousands of dollars)

	1999	1998
Operating activities		
Net income for the year	\$ 375	\$ 214
Items not involving cash		
Amortization	434	420
Loss (Gain) on disposal of capital assets	10	(26)
Increase in non-cash working capital	82	3
	901	611
 Financing activities		
Legislative appropriation	100	--
Increase (Decrease) in due to Government of the Yukon	(724)	490
	(624)	490
 Investing activities		
Acquisition of capital assets	(329)	(1,196)
Proceeds on disposal of capital assets	52	95
	(277)	(1,101)
 Change during year, being cash, end of year	\$ --	\$ --

The Agency does not have cash. Cash is held and managed on behalf of the Agency by the Department of Finance, Government of the Yukon.

The accompanying notes are an integral part of the financial statements.

**Fleet Vehicle Agency
(A Special Operating Agency of
Yukon Government Services)
Notes to the Financial Statements
For the year ended March 31, 1999**

1. Authority and Operations

The Agency was established as a Special Operating Agency under the Fleet Vehicles Agency Charter with the approval of the Cabinet of the Government of the Yukon and commenced operations on April 1, 1996.

The Agency is a program of the Department of Government Services and is responsible for procuring and managing efficient and affordable ground transportation services for government departments and publicly funded agencies. The Agency is accountable for its activities as described in its charter. As a program of the Department, the Agency is subject to government legislation, directives and policy.

2. Significant Accounting Policies

These financial statements have been prepared by management in accordance with generally accepted accounting principles.

Amortization

Capital assets were acquired from the Government of the Yukon on April 1, 1996, at their unamortized cost. Although the Agency is responsible for the operation and safeguarding of the capital assets, the Government of Yukon retains title to the assets.

Capital assets are estimated to have a salvage value at the end of their normal life equal to 10% of the original cost. Amortization is provided on a straight-line basis over the estimated normal life of the asset. Additions during the year are amortized at one-half the normal rate. No amortization is provided for in year of disposition.

The normal life for each asset is as follows:

Passenger cars	7 years
Cargo vans	10 years
Passenger vans	7 years
Pickup trucks	7 years
4 x 4 trucks	6 years
Heavy duty trucks	15 years
Stake trucks	10 years
2 x 4 utility vehicles	7 years
4 x 4 utility vehicles	7 years

Services provided without charge

The Agency does not record the value of services it receives without charge. These services include the following:

- use of office premises and vehicle parking area which are provided by the Government of the Yukon
- telephone, utilities, office and other overhead costs which are also provided by the Government of the Yukon
- interest free legislative appropriation and other advances from the Government of the Yukon

**Fleet Vehicle Agency
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Notes to the Financial Statements
For the year ended March 31, 1999**

2. Significant Accounting Policies (continued):

Pensions

The employees of the Agency are deemed to be employees of the Government of the Yukon. Both the Agency and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. The Agency is only liable for current contributions which are expensed in the accounts on a current basis.

3. Related party transactions

The Special Operating Agency is related to the following parties in terms of being a program of the Department of Government Services.

Revenue consists of the following:

Government Departments

	1999	1998
	(thousands of dollars)	
Community and Transportation Services	\$ 201	\$ 197
Education	160	144
Economic Development	45	33
Renewable Resources	470	452
Government Services	424	402
Executive Council Office	27	21
Health and Social Services	413	244
Justice	119	127
Tourism	42	45
Other	15	11
	1,916	1,676

Corporations

Workers Compensation Board	46	-
Yukon Liquor Corporation	16	14
Yukon Housing Corporation	41	44
Other	59	47
	162	105
	\$2,078	\$1,781

Fleet Vehicle Agency
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Notes to the Financial Statements
For the year ended March 31, 1999

3. Related party transactions (continued):

Capital asset acquisition:

	1999	1998
	(thousands of dollars)	
Vehicle acquisition		
Workers Compensation Board	\$37	\$-
	\$37	\$-

Expenses include the following:

	1999	1998
	(thousands of dollars)	
Vehicle service and repairs		
Community and Transportation Services	\$273	\$263
Contract services		
Property Management Agency	30	30
	\$303	\$293

Accounts receivable consists of the following:

	1999	1998
	(thousands of dollars)	
Workers Compensation Board	\$6	\$3
Yukon College	15	8
Yukon Housing Corporation	3	3
Other	2	2
	\$26	\$16

4. Capital Assets

	1999			1998
	(thousands of dollars)			
	Cost	Accumulated Amortization	Net	Net
Passenger Cars	\$1,067	\$361	\$ 706	\$ 868
Cargo Vans	666	210	456	493
Passenger Vans	212	90	122	126
Pick Up Trucks	220	87	133	142
4 x 4 Trucks	743	308	435	567
Heavy Duty Trucks	97	11	86	24
Stake Trucks	17	5	12	17
2 x 4 Utility Vehicles	97	37	60	88
4 x 4 utility Vehicles	483	100	383	235
	\$3,602	\$1,209	\$2,393	\$2,560

**Fleet Vehicle Agency
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Notes to the Financial Statements
For the year ended March 31, 1999**

5. Due to Government of the Yukon

Due to Government of the Yukon is a long term advance to the Agency consisting of the following:

- capital assets acquired by the Government of the Yukon prior to establishment of the Agency or through the devolution of Federal Government Programs, for use by the Agency; and
- cash received or disbursed by the Government of the Yukon on behalf of the Agency, since the Agency's establishment at April 1, 1996.

The advance is non-interest bearing and there are no fixed terms of repayment.

6. Legislative Compliance

The Fleet Vehicle Revolving Fund is governed by subsection 44.3 of the Financial Administration Act.

- 44.3 (1) states that the Fund limit shall be \$8,000,000. An amendment to the Financial Administration Act was passed in November, 1997 that increased the limit by \$2,000,000 from \$6,000,000. The balance of the Revolving Fund at March 31, 1999 was \$2,419,000 and at March 31, 1998, was \$2,576,000.
- 44.3 (2) states that the accumulated capital and operations and maintenance expenditures, excluding amortization, shall not exceed the accumulated revenues in the Fund at the time of expenditure. The following schedule shows that this legislative requirement has been met.

	1999	1998
	(thousands of dollars)	
Opening Balance, April 1	\$1,060	\$ 1,407
Revenues from operations	2,068	1,807
Legislative appropriation	100	-
	3,228	3,214
Capital expenditures	329	981
Operations and maintenance expenditures	1,693	1,593
Less: Amortization	(434)	(420)
	1,588	2,154
Excess of revenues over expenditures, as defined in subsection 44.3(2)	\$1,640	\$1,060

**Fleet Vehicle Agency
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Notes to the Financial Statements
For the year ended March 31, 1999**

6. Legislative Compliance (continued)

- 44.3 (3) states that capital expenditures from the fund shall not exceed \$1,200,000 in a fiscal year. An amendment was made to the Financial Administration Act in November, 1997 which increased this limit by \$200,000 from \$1,000,000. Capital expenditures for the year ended March 31, 1999, were \$329,000 and for the year ended March 31, 1998, were \$981,000.

7. Uncertainty due to the Year 2000 Issue

The year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000, and, if this issue is not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect the Agency's ability to conduct normal business operations.

The Agency is currently working to resolve the potential effect of the year 2000 issue on its operations. Despite the Government's and Agency's efforts to address this issue, it is not possible to be certain that all aspects of the year 2000 issue affecting the Agency, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.

