Quarterly Financial Report

2015-2016

Office of the Secretary to the Governor General

For the quarter ended June 30, 2015
Quarterly Financial Report
for the Quarter ended June 30, 2015

Statement outlining results, risks and significant changes in operations, personnel and programming

A) Introduction

This quarterly financial report should be read in conjunction with the 2015-2016 Main Estimates and Supplementary Estimates (A), as well as Canada’s Economic Action Plan 2015 (Budget 2015). It has been prepared by management as required by section 65.1 of the Financial Administration Act and in the form and manner prescribed by the Treasury Board. This quarterly report has not been subject to an external audit or review.

Raison d’être of the Office of the Secretary to the Governor General

The Office of the Secretary to the Governor General (the Office) provides support and advice to the governor general of Canada in his/her unique role as the representative of The Queen in Canada, as well as the commander-in-chief. The Office assists the governor general in carrying out constitutional responsibilities, in representing Canada at home and abroad, in bringing Canadians together, and in granting armorial bearings. It also supports the governor general in encouraging excellence through the administration of the Canadian Honours System and by organizing the presentations of national honours, decorations, medals and awards. The Office manages a visitor services program at both of the governor general’s official residences and oversees the day-to-day operations of these residences. It provides support to former governors general, including pensions to former governors general and their spouses.

Further information on the mandate, roles, responsibilities and programs of the Office can be found on the following website: 2015-2016 - Main Estimates.

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Office’s spending authorities granted by Parliament and those used by the Office consistent with the Main Estimates and Supplementary Estimates (A), for the 2015-2016 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before moneys can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.
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The Office uses the full accrual method of accounting to prepare and present its annual
departmental financial statements that are part of the Office’s Annual Report. However, the
spending authorities voted by Parliament remain on an expenditure basis.

B) Highlights of fiscal quarter and fiscal year to date (YTD) results

This section highlights the significant items that contributed to the variances in available
authorities for use for the fiscal year ending March 31, 2016 and the variances in actual
expenditures for the quarter ended June 30, 2015.

Statement of Authorities

As reflected in the Statement of Authorities, the Office’s total available budgetary authorities
have increased by $2.0 million or 10%, when compared to the same quarter in 2014-15. This
increase is mainly attributable to an increase in approved budgetary authorities for the renewal
and enhancement of Canada’s Honours System ($1.8M) as announced in Budget 2015 and an
increase for adjustments to statutory items ($0.2M).

Budgetary Expenditures by Standard Object

The Office’s quarterly spending has a net decrease of $275 thousand or 5.5% compared to the
previous year. This decrease is mainly attributable to the one-time transition payment for
implementing salary payment in arrears by the Government of Canada that occurred in 2014-
15. This decrease was offset by investments made in modernizing our workplace technology
deVICES that will assist in strengthening the security of the Office’s information technology.

C) Risks and Uncertainties

This Departmental Quarterly Financial Report (QFR) reflects the results of the current fiscal year
as per the Main Estimates and Supplementary Estimates (A) for which full supply was released
on June 19, 2015.

The Office’s most significant expenditure remains personnel including employee benefits. It
manages its personnel appropriation within approved levels with due diligence while continuing
to implement an organizational-wide human resources plan. The ongoing objectives of this plan
is to effectively align staffing processes with the priorities of the organization and implement
strategies for improving operational efficiencies and value for money. Furthermore, the Office
continues to seek innovative, cost efficient ways of generating savings and addressing risks. The
Office continues to look for opportunities to work in collaboration with other Government of
Canada organizations to achieve efficiencies to deliver on its business goals. With these changes
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the Office will continue to contribute to the effective management of human resources to the benefit of federal public service departments and agencies, managers, employees and Canadians at large.

D) Significant changes in relation to operations, personnel and programs

The Office received additional funding to support and modernize the Canadian Honours System and bring it closer to all Canadians. As highlighted in *Budget 2015*, these enhancements include increasing the number of nominations to the Order of Canada from under-represented sectors and modernizing eligibility and selection criteria for a number of other honours and awards. *Economic Action Plan 2015* also proposes to bring the Canadian honours and honourees closer to all Canadians through additional events and ceremonies, as well as the creation of an online portal. The Office is currently implementing these changes and will report its progress through future reports.

No other significant changes related to operations, personnel and programs having an impact on financial reporting occurred during the quarter ended June 30, 2015.

Approval by Senior Officials

Original signed by

Mr. Stephen Wallace
Secretary to the Governor General

Original signed by

Mr. Fady Abdul-Nour P. Eng.
Chief Financial Officer

Ottawa, Canada
August 12, 2015
Office of the Secretary to the Governor General  
Quarterly Financial Report  
For the quarter ended June 30, 2015

Statement of Authorities (unaudited)

<table>
<thead>
<tr>
<th>(in thousands of dollars)</th>
<th>Fiscal Year 2015-16</th>
<th>Fiscal Year 2014-15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total available for use for the year ending March 31, 2016</td>
<td>Used during the quarter ended June 30, 2015</td>
</tr>
<tr>
<td>Vote 1 - Program expenditures</td>
<td>18,958</td>
<td>4,046</td>
</tr>
<tr>
<td>Budgetary statutory authorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to employee benefit plans</td>
<td>2,120</td>
<td>513</td>
</tr>
<tr>
<td>Annuities payable under the Governor General's Act</td>
<td>632</td>
<td>140</td>
</tr>
<tr>
<td>Salary of the Governor General</td>
<td>283</td>
<td>49</td>
</tr>
<tr>
<td>Total Budgetary authorities</td>
<td>21,993</td>
<td>4,748</td>
</tr>
</tbody>
</table>

Note: Includes only Authorities available for use and granted by Parliament at quarter-end. Comparative figures have been reclassified to conform to the current year’s presentation.
Office of the Secretary to the Governor General

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Budgetary Expenditures by Standard Object (unaudited)

<table>
<thead>
<tr>
<th>(in thousands of dollars)</th>
<th>Fiscal Year 2015-16</th>
<th>Fiscal Year 2014-15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Planned expenditures for the year ending March 31, 2016</td>
<td>Used during the quarter ended June 30, 2015</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel (01)</td>
<td>14,958</td>
<td>3,661</td>
</tr>
<tr>
<td>Transportation &amp; communications (02)</td>
<td>1,373</td>
<td>247</td>
</tr>
<tr>
<td>Information (03)</td>
<td>635</td>
<td>61</td>
</tr>
<tr>
<td>Professional &amp; special services (04)</td>
<td>2,115</td>
<td>211</td>
</tr>
<tr>
<td>Rentals (05)</td>
<td>450</td>
<td>119</td>
</tr>
<tr>
<td>Purchased repair &amp; maintenance (06)</td>
<td>26</td>
<td>0</td>
</tr>
<tr>
<td>Utilities, materials &amp; supplies (07)</td>
<td>820</td>
<td>153</td>
</tr>
<tr>
<td>Acquisition of machinery &amp; equipment (09)</td>
<td>884</td>
<td>130</td>
</tr>
<tr>
<td>Transfer payments (10)</td>
<td>632</td>
<td>140</td>
</tr>
<tr>
<td>Other subsidies and payments (12)</td>
<td>100</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total Budgetary Expenditures</strong></td>
<td><strong>21,993</strong></td>
<td><strong>4,748</strong></td>
</tr>
</tbody>
</table>