



Quarterly Financial Report

2015-2016

Office of the Secretary to the Governor General

For the quarter ended December 31, 2015



OFFICE OF THE SECRETARY TO THE GOVERNOR GENERAL
BUREAU DU SECRÉTAIRE DU GOUVERNEUR GÉNÉRAL

Quarterly Financial Report for the Quarter ended December 31, 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 December 31, 2015.

Statement of Authorities

As reflected in the Statement of Authorities, the Office's total available budgetary authorities have increased by \$2.05 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*. Authorities have also increased for other items including adjustments to statutory items and an increase in the Operating Budget Carry Forward.

Budgetary Expenditures by Standard Object

The Office's quarterly spending is comparable to the previous year with an overall increase of \$179 thousand or 3.5%. The increase in expenditure is mainly caused by travel expenditure related to Governor General Events and increases in expenditure related to funds received in *Budget 2015* to support and modernize the Canadian Honours System.

The year-to-date spending is comparable to the previous year with a slight increase of less than 1%. The decrease in other subsidies and payments is due to a one-time transition payment for implementing salary payment in arrears by the Government of Canada in the previous year. This decrease is offset with the increase in travel expenditure as outlined above and an overall increase in expenses related to funds received in *Budget 2015* to support and modernize the Canadian Honours System and by investments made in the first quarter of the fiscal year for modernizing 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.



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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 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.

No other significant changes related to operations, personnel and programs having an impact on financial reporting occurred during the quarter ended December 31, 2015.

Approval by Senior Officials

_____ Original signed by

Mr. Stephen Wallace
Secretary to the Governor General
Ottawa, Canada
February 18, 2016

_____ Original signed by

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

Office of the Secretary to the Governor General

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Statement of Authorities (unaudited)

	Fiscal Year 2015-16			Fiscal Year 2014-15		
	Total available for use for the year ending March 31, 2016	Used during the quarter ended December 31, 2015	Year to date used at quarter-end	Total available for use for the year ending March 31, 2015	Used during the quarter ended December 31, 2014	Year to date used at quarter-end
<i>(in thousands of dollars)</i>						
Vote 1 - Program expenditures	19,701	4,640	12,894	17,850	4,476	12,926
Budgetary statutory authorities						
Contributions to employee benefit plans	2,120	513	1,538	2,008	502	1,506
Annuities payable under the <i>Governor General's Act</i>	632	139	419	555	137	412
Salary of the Governor General	283	71	214	274	69	207
Total Budgetary authorities	22,736	5,363	15,065	20,687	5,184	15,051

Note : Includes only Authorities available for use and granted by Parliament at quarter-end.

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Budgetary Expenditures by Standard Object (unaudited)

<i>(in thousands of dollars)</i>	Fiscal Year 2015-16			Fiscal Year 2014-15		
	Planned expenditures for the year ending March 31, 2016	Used during the quarter ended December 31, 2015	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2015	Used during the quarter ended December 31, 2014	Year to date used at quarter-end
Expenditures						
Personnel (01)	14,959	3,888	11,377	15,161	3,911	11,503
Transportation & communications (02)	1,483	424	913	1,046	236	786
Information (03)	746	102	318	398	75	203
Professional & special services (04)	2,576	388	949	1,635	376	841
Rentals (05)	517	77	281	373	64	211
Purchased repair & maintenance (06)	30	1	2	25	0	1
Utilities, materials & supplies (07)	914	282	551	698	338	537
Acquisition of machinery & equipment (09)	764	40	194	697	42	88
Transfer payments (10)	632	140	419	555	137	412
Other subsidies and payments (12)	115	21	61	99	5	469
Total Budgetary Expenditures	22,736	5,363	15,065	20,687	5,184	15,051