



Quarterly Financial Report

2017-2018

Office of the Secretary to the Governor General

For the quarter ended June 30, 2017



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

Quarterly Financial Report for the Quarter ended June 30, 2017

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

A) Introduction

This quarterly report 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 [Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report](#). This quarterly report should be read in conjunction with the [2017-2018 - Main Estimates](#) and previous Quarterly Financial Reports. 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: [2017-2018 - 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 for the 2017-2018 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, 2018 and the variances in actual expenditures for the quarter ended June 30, 2017.

Statement of Authorities

As reflected in the Statement of Authorities, the Office's total available budgetary authorities have a net decrease of \$401 thousand or 1.7%, when compared to the same quarter in 2016-17. This decrease is mainly attributable to a decrease in approved budgetary authorities for the renewal and enhancement of Canada's Honours System (\$237 thousand), for *Budget 2016* reductions in professional services, travel and advertising (\$92 thousand) and a net decrease for adjustments to statutory items (\$72 thousand).

Budgetary Expenditures by Standard Object

The Office's quarterly spending has decreased by \$546 thousand or 10.2% compared to the previous year. The decrease in expenditures is mainly related to the reduced costs for the redesign of the honours portal which has been recently implemented and a reduction in personnel costs and travel expenditures related to Governor General Events.

C) Risks and Uncertainties

This Departmental Quarterly Financial Report (QFR) reflects the results of the current fiscal year as per the Main Estimates for which full supply was released on June 23, 2017.

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



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benefit of federal public service departments and agencies, managers, employees and Canadians at large.

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

As 2017-18 is a transition year (a new Governor General will be appointed in the fall), the Office's mission statement is to support both the current and future Governor General as The Queen's representative in Canada and to serve Canadians. The Office will plan and manage a seamless transition between Governors General and incorporate the priorities of the new Governor General in our programming and strategic planning.

No other significant changes related to operations, personnel and programs having an impact on financial reporting occurred during the quarter ended June 30, 2017.

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 29, 2017

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Statement of Authorities (unaudited)

	Fiscal Year 2017-18			Fiscal Year 2016-17		
	Total available for use for the year ending March 31, 2018	Used during the quarter ended June 30, 2017	Year to date used at quarter-end	Total available for use for the year ending March 31, 2017	Used during the quarter ended June 30, 2016	Year to date used at quarter-end
<i>(in thousands of dollars)</i>						
Vote 1 - Program expenditures	19,706	4,077	4,077	20,034	4,590	4,590
Budgetary statutory authorities						
Contributions to employee benefit plans	2,103	527	527	2,249	563	563
Annuities payable under the <i>Governor General's Act</i>	647	143	143	574	141	141
Salary of the Governor General	288	73	73	288	72	72
Total Budgetary authorities	22,744	4,820	4,820	23,145	5,366	5,366

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.

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Budgetary Expenditures by Standard Object (unaudited)

	Fiscal Year 2017-18			Fiscal Year 2016-17		
	Planned expenditures for the year ending March 31, 2018	Expended during the quarter ended June 30, 2017	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2017	Expended during the quarter ended June 30, 2016	Year to date used at quarter-end
<i>(in thousands of dollars)</i>						
Expenditures						
Personnel (01)	15,500	3,755	3,755	15,616	3,885	3,885
Transportation & communications (02)	2,120	330	330	2,250	484	484
Information (03)	770	103	103	820	116	116
Professional & special services (04)	1,754	188	188	2,090	426	426
Rentals (05)	360	71	71	330	96	96
Repair & maintenance (06)	10	2	2	18	0	0
Utilities, materials & supplies (07)	1,183	184	184	1,107	122	122
Acquisition of machinery & equipment (09)	330	29	29	270	77	77
Transfer payments (10)	647	143	143	574	141	141
Other subsidies and payments (12)	70	14	14	70	19	19
Total Budgetary Expenditures	22,744	4,820	4,820	23,145	5,366	5,366