



Quarterly Financial Report

2018-2019

Office of the Secretary to the Governor General

For the quarter ended September 30, 2018



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

Quarterly Financial Report for the Quarter ended September 30, 2018

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 [2018-19 - Main Estimates \(Part I and II\)](#) 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: [2018-19 - Main Estimates \(Part I and II\)](#).

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 2018-19 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.



Quarterly Financial Report for the Quarter ended September 30, 2018

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, 2019 and the variances in actual expenditures for the quarter ended September 30, 2018.

Statement of Authorities

As reflected in the Statement of Authorities, the Office's total available budgetary authorities have a net increase of \$391 thousand or 1.7%, when compared to the same quarter in 2017-18. This increase is mainly attributable to funding received for compensation adjustments (\$291 thousand), an adjustment to the annuities payable under the *Governor General's Act* (\$81 thousand) and an increase in the Operating Budget Carry-Forward (\$29 thousand). These increases are offset by decreases in approved budgetary authorities for the renewal and enhancement of Canada's Honours System and for adjustments to statutory items (\$10 thousand).

Budgetary Expenditures by Standard Object

The Office's quarterly spending has decreased by \$1.1 million or 17% compared to the previous year while the year-to-date spending has decreased by \$881 thousand or 8% when compared to the previous year. These decreases are mainly attributable to retroactive payments that occurred in 2017-18 following the signature of expired collective agreements. The decrease in personnel expenses is also attributable to lower overtime costs and to attrition due to retirements and vacant positions. These decreases are offset by investments made following the implementation of the Office's IM/IT strategies.

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 14, 2018.

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



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

**Quarterly Financial Report
for the Quarter ended September 30, 2018**

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

No other significant changes related to operations, personnel and programs having an impact on financial reporting occurred during the quarter ended September 30, 2018.

Approval by Senior Officials

Original signed by

Ms. Assunta Di Lorenzo
Secretary to the Governor General

Original signed by

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

Ottawa, Canada
November 28, 2018

Office of the Secretary to the Governor General
Quarterly Financial Report

For the quarter ended September 30, 2018



Statement of Authorities (unaudited)

<i>(in thousands of dollars)</i>	Fiscal Year 2018-19			Fiscal Year 2017-18		
	Total available for use for the year ending March 31, 2019	Used during the quarter ended September 30, 2018	Year to date used at quarter-end	Total available for use for the year ending March 31, 2018	Used during the quarter ended September 30, 2017	Year to date used at quarter-end
Vote 1 - Program expenditures	20,762	4,322	8,549	20,424	5,463	9,540
Budgetary statutory authorities						
Contributions to employee benefit plans	2,069	517	1,034	2,103	526	1,052
Annuities payable under the <i>Governor General's Act</i>	728	182	364	647	95	239
Salary of the Governor General	294	74	148	288	73	146
Total Budgetary authorities	23,853	5,095	10,096	23,462	6,157	10,977

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

Office of the Secretary to the Governor General

Quarterly Financial Report

For the quarter ended September 30, 2018



Budgetary Expenditures by Standard Object (unaudited)

<i>(in thousands of dollars)</i>	Fiscal Year 2018-19			Fiscal Year 2017-18		
	Planned expenditures for the year ending March 31, 2019	Expended during the quarter ended September 30, 2018	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2018	Expended during the quarter ended September 30, 2017	Year to date used at quarter-end
Expenditures						
Personnel (01)	16,195	3,755	7,403	16,218	4,690	8,445
Transportation & communications (02)	1,974	324	735	2,120	367	697
Information (03)	800	87	222	770	157	260
Professional & special services (04)	2,051	376	639	1,754	450	638
Rentals (05)	509	35	112	360	116	186
Repair & maintenance (06)	16	2	3	10	1	3
Utilities, materials & supplies (07)	1,062	128	344	1,183	249	433
Acquisition of machinery & equipment (09)	447	206	266	330	25	55
Transfer payments (10)	728	182	364	647	95	239
Other subsidies and payments (12)	73	1	8	70	7	21
Total Budgetary Expenditures	23,853	5,095	10,096	23,462	6,157	10,977