



Quarterly Financial Report

2017-2018

Office of the Secretary to the Governor General

For the quarter ended September 30, 2017



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

Quarterly Financial Report for the Quarter ended September 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.



Quarterly Financial Report for the Quarter ended September 30, 2017

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 September 30, 2017.

Statement of Authorities

As reflected in the Statement of Authorities, the Office's total available budgetary authorities are \$23.5 million, a net decrease of \$74 thousand or 0.3%, 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 (\$99 thousand) and for a decrease in statutory items (\$72 thousand). These decreases are offset by an increase in the Operating Budget Carry-Forward (\$334 thousand).

Budgetary Expenditures by Standard Object

The Office's quarterly spending has increased by \$806 thousand or 15.1% compared to the previous year. The year-to-date spending has increased by \$260 thousand or 2.4%. These increases are mainly in personnel expenditures, attributable to retroactive payments following the signature of expired collective agreements. The decrease in professional & special services expenditures is mainly related to the reduced costs for the redesign of the honours portal which has been recently implemented.

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



**Quarterly Financial Report
for the Quarter ended September 30, 2017**

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

As 2017-18 is a transition year, 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 is working on managing 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 September 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
November 29, 2017

Office of the Secretary to the Governor General
Quarterly Financial Report

For the quarter ended September 30, 2017



Statement of Authorities (unaudited)

| <i>(in thousands of dollars)</i> | Fiscal Year 2017-18 | | | Fiscal Year 2016-17 | | |
|---|---|---|--|---|---|--|
| | 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 | Total available for use for the year ending March 31, 2017 | Used during the quarter ended September 30, 2016 | Year to date used at quarter-end |
| Vote 1 - Program expenditures | 20,424 | 5,463 | 9,540 | 20,425 | 4,576 | 9,165 |
| Budgetary statutory authorities | | | | | | |
| Contributions to employee benefit plans | 2,103 | 526 | 1,052 | 2,249 | 562 | 1,125 |
| Annuities payable under the <i>Governor General's Act</i> | 647 | 95 | 239 | 574 | 141 | 283 |
| Salary of the Governor General | 288 | 73 | 146 | 288 | 72 | 144 |
| Total Budgetary authorities | 23,462 | 6,157 | 10,977 | 23,536 | 5,351 | 10,717 |

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, 2017



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 September 30, 2017 | Year to date used at quarter-end | Planned expenditures for the year ending March 31, 2017 | Expended during the quarter ended September 30, 2016 | Year to date used at quarter-end |
| <i>(in thousands of dollars)</i> | | | | | | |
| Expenditures | | | | | | |
| Personnel (01) | 16,218 | 4,690 | 8,445 | 15,616 | 3,933 | 7,817 |
| Transportation & communications (02) | 2,120 | 367 | 697 | 2,250 | 154 | 638 |
| Information (03) | 770 | 157 | 260 | 820 | 168 | 284 |
| Professional & special services (04) | 1,754 | 450 | 638 | 2,090 | 578 | 1,005 |
| Rentals (05) | 360 | 116 | 186 | 330 | 73 | 169 |
| Repair & maintenance (06) | 10 | 1 | 3 | 18 | 1 | 1 |
| Utilities, materials & supplies (07) | 1,183 | 249 | 433 | 1,107 | 269 | 390 |
| Acquisition of machinery & equipment (09) | 330 | 25 | 55 | 270 | 30 | 107 |
| Transfer payments (10) | 647 | 95 | 239 | 574 | 141 | 283 |
| Other subsidies and payments (12) | 70 | 7 | 21 | 461 | 4 | 23 |
| Total Budgetary Expenditures | 23,462 | 6,157 | 10,977 | 23,536 | 5,351 | 10,717 |