

SECRETARIAT OF THE NATIONAL SECURITY AND INTELLIGENCE  
COMMITTEE OF PARLIAMENTARIANS

FUTURE-ORIENTED STATEMENT OF OPERATIONS

FOR THE YEARS ENDING MARCH 31, 2020 AND MARCH 31, 2021

# **Secretariat of the National Security and Intelligence Committee of Parliamentarians**

Future-Oriented Statement of Operations (unaudited)

For the year ending March 31

(in thousands of dollars)

	<b>Forecast results 2019-20</b>	<b>Planned results 2020-21</b>
<b>Expenses</b>		
Assist the National Security and Intelligence Community of Parliamentarians in fulfilling its mandate	2,686	3,101
Internal Services	329	640
<b>Total expenses</b>	<b>3,015</b>	<b>3,741</b>
<b>Revenues</b>		
Miscellaneous revenues	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>
<b>Net cost of operations before government funding and transfers</b>	<b>3,015</b>	<b>3,741</b>

The accompanying notes form an integral part of the Future-Oriented Statement of Operations.

## **Notes to the Future-Oriented Statement of Operations (unaudited)**

### **1. Methodology and significant assumptions**

The Future-Oriented Statement of Operations has been prepared on the basis of government priorities and departmental plans as described in the Departmental Plan.

The information in the forecast results for fiscal year 2019-20 is based on actual results as at December 15, 2019 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for fiscal year 2020-21.

The main assumptions underlying the forecasts are as follows:

- The department's activities will remain substantially the same as in the previous year.
- Expenses and revenues, including the determination of amounts internal and external to the government, are based on past experience. The general historical pattern is expected to continue.

These assumptions are made as at December 15, 2019.

### **2. Variations and changes to the forecast financial information**

Although every attempt has been made to forecast final results for the remainder of 2019-20 and for 2020-21, actual results achieved for both years are likely to differ from the forecast information presented, and this variation could be material.

In preparing the Future-Oriented Statement of Operations, the Secretariat of the National Security and Intelligence Committee of Parliamentarians has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

Factors that could lead to material differences between the Future-Oriented Statement of Operations and the historical statement of operations include:

- The timing and the amount of acquisitions and disposals of property and equipment, which may affect gains, losses and amortization expense;
- The implementation of new collective agreements; and
- Other changes to the operating budget, such as new initiatives or technical adjustments later in the fiscal year.

After the Departmental Plan is tabled in Parliament, the Secretariat for the National Security and Intelligence Committee of Parliamentarians will not be updating forecasts for any changes in financial resources made in ensuing supplementary estimates. Variances will be explained in the Departmental Results Report.

### 3. Summary of significant accounting policies

The Future-Oriented Statement of Operations has been prepared using the Government of Canada's accounting policies in effect for fiscal year 2019-20, and is based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

a) **Expenses**

Expenses are generally recorded when goods are received or services are rendered and include expenses related to personnel, professional and special services, repair and maintenance, utilities, materials and supplies, as well as amortization of tangible capital assets. Provisions to reflect changes in the value of assets or liabilities, such as provisions for bad debts, loans, investments and advances and inventory obsolescence, as well as utilization of inventories and prepaid expenses, and other are also included in other expenses.

b) **Revenues**

Other Revenues are recognized in the period giving rise to the revenues occurred. Revenues that are non-respendable are not available to discharge the department's liabilities. Although the deputy head is expected to maintain accounting control, he or she has no authority over the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented as a reduction of the department's gross revenues.

### 4. Parliamentary Authorities

The department is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the department differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the department has different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

a) **Reconciliation of net cost of operations to requested authorities**  
(in thousands of dollars)

	<b>Forecast results 2019-20</b>	<b>Planned results 2020-21</b>
<b>Net cost of operations before government funding and transfers</b>	3,015	3,741
Adjustment for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capital assets	(5)	(6)
Services provided without charge by other government departments	(180)	(181)
Increase in vacation pay and compensatory leave	8	(13)

Increase in employee future benefits	(35)	(36)
Refunds of prior year's expenditures	(2)	(2)
Total items affecting net cost of operations but not affecting authorities	(214)	(238)
Adjustments for items not affecting net cost of operations but affecting authorities:		
Acquisition of tangible capital assets	68	47
Total items not affecting net cost of operations but affecting authorities	68	47
<b>Requested authorities forecasted to be used</b>	<b>2,869</b>	<b>3,550</b>

**b) Authorities provided/requested (in thousands of dollars)**

	<b>Forecast results for 2019-20</b>	<b>Planned results for 2020-21</b>
<b>Authorities provided/requested</b>		
Vote 1: Operating Expenditures	3,409	3,331
Statutory amounts	219	219
<b>Total authorities provided/requested</b>		
Less: Estimated unused authorities and other adjustments	(759)	-
Requested authorities forecasted to be used	2,869	3,550

The authorities presented reflect current forecasts of statutory items; approved initiatives included in Estimates documents; and estimates of amounts to be allocated from Treasury Board Central Votes.