



## **Quarterly Financial Reports**

2012-2013

**Office of the Secretary to the Governor General**

**For the quarter ended December 31, 2012**



## **Quarterly Financial Report for the Quarter ended December 31, 2012**

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

#### **A) Introduction**

##### Raison d'être of the Office of the Secretary to the Governor General

The Office of the Secretary to the Governor General 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: [2012-2013 - Main Estimates](#).

This quarterly financial report:

- should be read in conjunction with the 2012-2013 *Main Estimates and Canada's Economic Action Plan 2012 (Budget 2012)*;
- 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; and
- has not been subject to an external audit or review.

##### Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the department's spending authorities granted by Parliament and those used by the department consistent with the *Main Estimates* for the 2012-2013 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.



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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 Main Estimates or through legislation in the form of statutory spending authority for specific purposes.

The Office uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the *Office 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**

#### Statement of Authorities

As of December 31, 2012, the decrease of \$1,544,000 or 7% in the total available budgetary authorities compared to 2011-2012 is mainly due to additional funds granted in 2011-2012 to offset special severance pay settlements following the ratification of new collective agreements with employees which did not occur in this fiscal year.

#### Budgetary Expenditures by Standard Object

The year-to-date spending for the current fiscal year is lower than the previous year. The decrease in expenditures of \$1,284,000 or 8% between the two fiscal years is mainly due to decreases in personnel costs (\$1,450,000) as explained in the Statement of Authorities above and a decrease in transportation and telecommunications expenses (\$199,000) due to a decrease in travel requirements. The decreases are offset by an increase in expenses related to professional & special services (\$284,000) resulting from additional costs in information technology and temporary help services.

As for quarterly spending, the decrease in personal costs of \$571,000 or 15% and the decrease in transportation & communications of \$191,000 or 44% are explained by the same rationale as above.

### **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 29, 2012, the addition of the Operating Budget Carry Forward which was approved on September 24, 2012 and an allocation from central vote 30 for payroll requirements in December 2012.

Budget 2010 announced that the operating budgets of departments would be frozen at their 2010-2011 levels for the fiscal years 2011-2012 and 2012-2013. The Office's most significant expenditure is personnel including employee benefits.



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As departments must pay for the salary increases to employees, the Office had to find efficiencies within its operating vote to fund these increases. The Office was able to accommodate the reduction in funding in the past two fiscal years without significantly affecting its operations. This was done through the establishment and implementation of an organizational-wide human resources plan. The objectives were to align staffing processes with the priorities of the organization and to implement strategies for improving operational efficiencies and value for money.

**D) Budget 2012 Implementation**

Although the Office was not directly affected by Budget 2012 measures, it will continue to seek innovative, cost efficient ways of addressing risks. The Office will also continue 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.

**E) Significant changes in relation to operations, personnel and programs**

No significant changes related to operations, personnel and programs having an impact on financial reporting occurred during the quarter ended December 31, 2012.

**Approval by Senior Officials**

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Mr. Stephen Wallace  
Secretary to the Governor General

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

Ottawa, Canada  
February 28, 2013

## Office of the Secretary to the Governor General - Statement of Authorities



Quarterly Financial Report (*unaudited*)  
For the Quarter ended December 31, 2012

<i>(in thousands of dollars)</i>	Fiscal Year 2012-13			Fiscal Year 2011-12		
	Total available for use for the year ending March 31, 2013	Used during the quarter ended December 31, 2012	Year to date used at quarter-end	Total available for use for the year ending March 31, 2012	Used during the quarter ended December 31, 2011	Year to date used at quarter-end
<b>Vote 1</b>						
Personnel	11,983	2,792	9,585	11,969	3,354	11,003
Operating costs	5,033	1,179	3,121	5,035	1,189	2,966
Compensation adjustments - TB Vote 15				4		
Operating Budget Carry forward - TB Vote 25	851			807		
Paylist requirements - TB Vote 30	86			1,629		
<b>Total Operating Budget</b>	<b>17,953</b>	<b>3,971</b>	<b>12,706</b>	<b>19,444</b>	<b>4,543</b>	<b>13,969</b>
Grants & Contributions				11		
<b>Total Vote 1</b>	<b>17,953</b>	<b>3,971</b>	<b>12,706</b>	<b>19,455</b>	<b>4,543</b>	<b>13,969</b>
<b>Budgetary statutory authorities</b>						
Contributions to employee benefit plans	2,109	528	1,582	2,154	539	1,616
Salary of the Governor General	138	35	103	135	33	100
Annuities payable under the <i>Governor General's Act</i>	520	134	400	520	130	390
<b>Total Budgetary authorities</b>	<b>20,720</b>	<b>4,668</b>	<b>14,791</b>	<b>22,264</b>	<b>5,245</b>	<b>16,075</b>

## Office of the Secretary to the Governor General -Budgetary Expenditures by Standard Object



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For the Quarter ended December 31, 2012

<i>(in thousands of dollars)</i>	Fiscal Year 2012-13			Fiscal Year 2011-12		
	Planned expenditures for the year ending March 31, 2013	Expended during the quarter ended December 31, 2012	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2012	Expended during the quarter ended December 31, 2011	Year to date used at quarter-end
<b>Expenditures</b>						
Personnel (01)	14,792	3,355	11,270	16,304	3,926	12,720
Transportation & communications (02)	1,069	248	769	1,934	439	968
Information (03)	392	104	237	680	44	121
Professional & special services (04)	1,904	418	1,121	1,407	332	837
Rentals (05)	489	70	192	151	29	67
Purchased repair & maintenance (06)	10	4	9	201	18	149
Utilities, materials & supplies (07)	898	205	507	796	177	579
Acquisition of machinery & equipment (09)	629	130	286	260	150	244
Transfer payments (10)	537	134	400	531	130	390
<b>Total Budgetary Expenditures</b>	<b>20,720</b>	<b>4,668</b>	<b>14,791</b>	<b>22,264</b>	<b>5,245</b>	<b>16,075</b>