

NATIONAL BATTLEFIELDS COMMISSION

Quarterly Financial Report

For the quarter ended June 30, 2021

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

Introduction

This quarterly financial 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 Treasury Board. This financial report should be read in conjunction with the [2021-22 Main Estimates](#). This financial report has not been subject to an external audit or review.

Raison d'être

The National Battlefields Commission (the Commission), as manager of Battlefields Park, makes it possible for Canadians to enjoy Canada's first national historic park and one of the most prestigious urban parks in the world. The Commission is responsible for the administration, management, conservation and development of the National Battlefields Park (located in Quebec City) and manages the funding allocated for this purpose. The Commission derives its mandate from the *An Act respecting the National Battlefields at Quebec*, passed on March 17, 1908, and its amendments. The Commission is a departmental corporation listed in Schedule II of the *Financial Administration Act*. The Minister of Canadian Heritage is responsible for this organization.

The Commission has two core responsibilities: Conservation and Promotion of Heritage, in addition to Internal services. Additional information on the mandate, roles, responsibilities and programs of the Commission can be found in the Commission's [2021-22 Departmental Plan](#).

Basis of presentation

This quarterly report has been prepared by management using expense-based accounting. The accompanying Statement of Authorities includes the Commission's spending authorities granted by Parliament, and those used by the Commission consistent with the Main Estimates for the 2021-22 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 appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

The Commission uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament are presented on an expenditure basis.

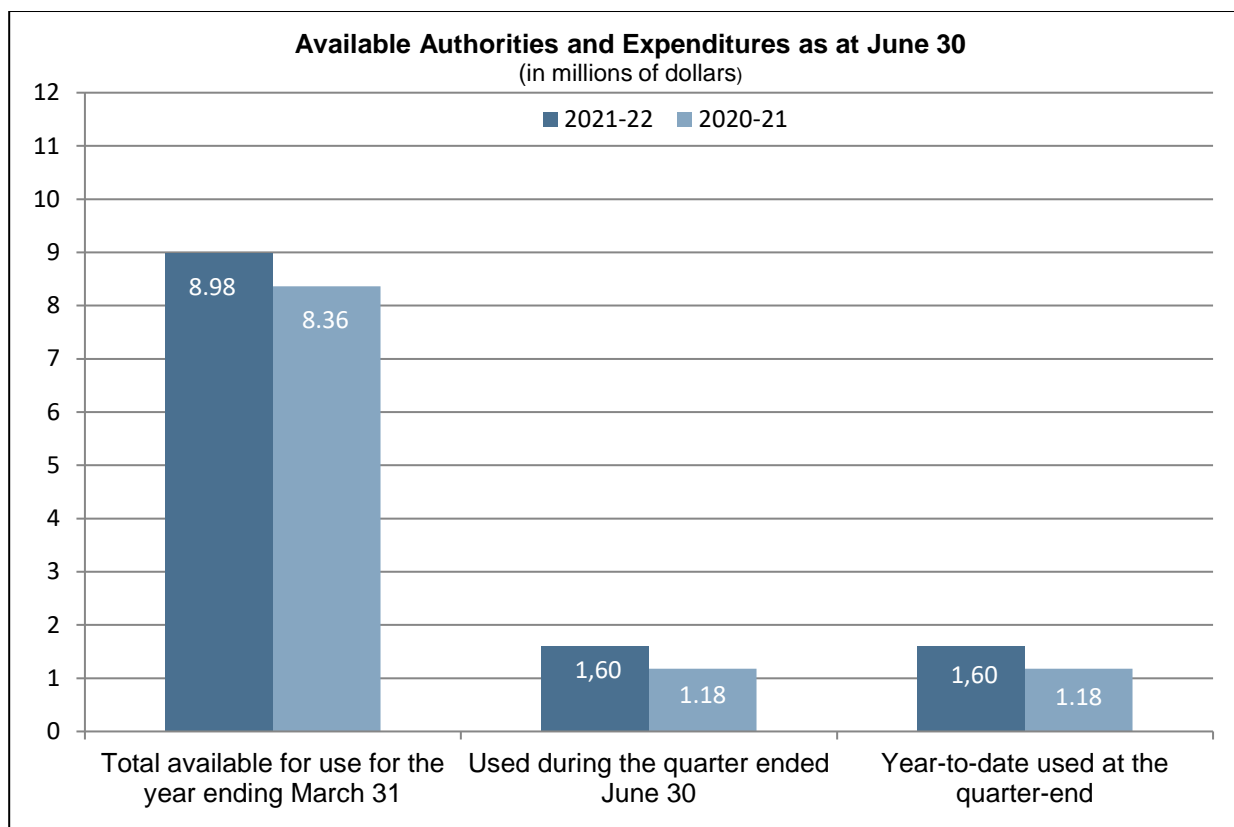
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Highlights of fiscal quarter and fiscal year-to-date results

This section highlights the significant items that contributed to the variations in resources available for the year and in expenditures used during the quarter ended June 30, 2021 and year-to-date at the quarter-end. The graph below outlines the variations in budgetary authorities and the expenditures. More details on these variations can be found in the following sections.



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Variations in authorities

As at June 30, 2021, total usable budgetary authorities for the year 2021-22 increased by \$0.62 million compared to the same quarter last year, from \$8.36 million to \$8.98 million.

This variation is mainly due to the change in the authorizations available due to the pandemic situation in 2020-21.

Accordingly, authorizations were down \$0.53 million as a result of:

- a decrease of \$1.64 million in the authorities available for use due to the reduced supply of the Main Estimates; due to the COVID-19 pandemic and limited sessions in the spring for Parliament to study supply, the Standing Orders of the House of Commons were amended to extend the study period into the fall and the Commission is expected to receive full supply for the 2020-21 Main Estimates in December 2021;
- a statutory appropriation of \$1.11 million as one-time pandemic assistance under the *Public Health Events of National Concern Payments Act*;

In 2021-22, two other variations affect usable budgetary authorities:

- a decrease of \$0.07 million in spending on health and safety investment projects;
- and an increase of \$0.16 million for salaries and employee benefit plans.

The Commission notes, however, that authorities will increase by \$3.3 million in the second quarter of 2021-22 since it has been authorized to withdraw up to \$3.3 million from Treasury Board Vote 5 – Government Contingencies for the period from July 1, 2021 until the royal assent of the next *Appropriation Act* so that the Commission can meet certain expenses required during the summer period.

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Statement of authorities as at June 30 (in thousands of dollars)	2021-22			2020-21			Variance		
	Total available for use for the year ending March 31, 2022	Used during the quarter ended June 30, 2021	Year-to-date used at quarter end	Total available for use for the year ending March 31, 2021	Used during the quarter ended June 30, 2020	Year-to-date used at quarter end	Total available for use	Used during the quarter	Year-to-date used
Program expenditures	6,623	1,034	1,034	4,918	807	807	1,705	227	227
Contributions to employee benefit plans	354	89	89	333	83	83	21	6	6
Expenditures pursuant to subsection 29.1(1) of the <i>Financial Administration Act</i>	2,000	476	476	2,000	288	288	-	188	188
Expenditures pursuant to the <i>Public Health Events of National Concern Payments Act</i>	-	-	-	1,112	-	-	-1,112	-	-
Total authorizations	8,977	1,599	1,599	8,363	1,178	1,178	614	421	421

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Variations in expenditures

Compared to the previous year, total expenditures recorded at the end of the quarter ending June 30 increased by \$0.42 million, from \$1.18 million to \$1.60 million, an increase of 36%. The cumulative expenditures in the first quarter represent 18% of the available authorizations, compared to 14% as at June 30, 2020.

This variation in expenses is mainly explained by events related to the pandemic situation. In 2020-21, it had an impact on the return to work of seasonal employees and caused the closure of the Plains of Abraham Museum and the cessation of entertainment activities. In 2021-22, these upheavals in the operations of the Commission were partially resolved.

The most significant variations are in the following standard objects:

- personnel expenses, which increased by \$0.30 million, in particular by resuming the activities of the interpretation team and by filling a position in general management
- utilities, materials and supplies, and acquisition of machinery and equipment, which increased by \$0.06 million, due to the resumption of maintenance work on sites, green spaces and infrastructure;
- professional services, which increased by \$0.05 million, for fees of the Canadian Corps of Commissionaires related to the reorganization of the security service, and the development of a strategic plan.

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Expenditures by standard object	2021-22			2020-21			Variance		
	Planned for the year ending March 31, 2022	Expended during the quarter ended June 30, 2021	Year-to-date used at quarter-end	Planned for the year ended March 31, 2021	Expended during the quarter ended June 30, 2020	Year-to-date used at quarter-end	Planned for the year	Expended during the quarter	Year-to-date used
Personnel	4,247	1,211	1,211	3,566	913	913	681	298	298
Transportation and communications	120	15	15	120	13	13	-	2	2
Information	275	14	14	275	2	2	-	12	12
Professional and special services	600	126	126	600	77	77	-	49	49
Rentals	80	3	3	80	1	1	-	2	2
Repair and maintenance services	478	72	72	553	69	69	-75	3	3
Utilities, materials and supplies	484	103	103	484	47	47	-	56	56
Acquisition of land, buildings and works	-	-	-	-	-	-	-	-	-
Acquisition of machinery and equipment	-	2	2	-	2	2	-	-	-
Transfer payments	-	-	-	-	-	-	-	-	-
Other subsidies and payments	2,693	53	53	2 685	54	54	8	-1	-1
Total expenditures	8,977	1,599	1,599	8,363	1,178	1,178	614	421	421

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Risks and uncertainties

The main financial risk for the Commission is not meeting its forecasted revenue generated from parking lots, interpretation activities and admissions to the Plains of Abraham Museum.

On March 11, 2020, the World Health Organization declared a pandemic following the emergence of a new and highly contagious form of coronavirus. This situation is constantly evolving and the measures in place have numerous economic impacts worldwide.

The Commission anticipates that this situation will affect the number of visitors and its revenue for the fiscal year ended March 31, 2022. As in 2020-21, during most of the first quarter of the fiscal year, the closure of the Museum of the Plains of Abraham, the interruption of activities offered to the public, the cancellation of events and the reduction in the use of parking lots greatly affected revenues. In 2020-21, to compensate for this decrease in revenues that fund the operations of the Commission, ad hoc assistance was granted on June 19, 2020 by the granting of legislative credits in the amount of \$1.1 million from the budget measure “Supporting Canada's National Museums During COVID-19” under the *Public Health Events of National Concern Payments Act*. In 2021-22, the Commission will also receive one-off support, as announced in the context of the government's 2021 budget, *A Recovery Plan for Jobs, Growth and Resilience*: it was decided to provide emergency funds of \$2 million, to alleviate the financial pressures caused by COVID-19.

The following are additional risks and uncertainties assumed by the Commission and the management strategies adopted to address them:

- Bad weather, poor economic and social conditions:
 - Promotional efforts to increase and diversify clientele;
 - Development of new partnerships.

- Budget reduction measures and new financial pressures:
 - Rigorous budget control;
 - Revision of the financing structure;
 - Strengthening relationships with stakeholders in the budget process.

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- Accidents in the park and damage to the Commission's property:
 - High-quality general park maintenance;
 - Regular repair work;
 - Prevention on the ground and patrols by the security service.

- Imbalance between the park's historical and urban missions:
 - Thoroughly analyze each land use request, based on Land Use Policy to ensure users can enjoy the park with few obstacles or activities by external organizers;
 - Favour activities organized by the Commission that are linked to its mandate;
 - Rigorous monitoring of grounds to ensure greater respect for the site.

- Environmental impacts and inconveniences to users during construction work in the park and its surroundings:
 - Constant monitoring during construction;
 - Regular meetings with involved parties;
 - Implementation of mitigation measures to protect the park and reduce inconveniences for users.

Significant changes in relation to operations, personnel and programs

Impacts of the global coronavirus pandemic (COVID-19)

As of the announcement of the pandemic, the Commission has taken steps to limit the spread of COVID-19 and reduce the risks for park users and employees, according to the advice of public health experts. In particular, it closed the Plains of Abraham Museum and public events were cancelled, including festivals and cultural and sporting events held on the Commission's sites. It also adopted digital alternatives for teleworking employees and for virtual educational activities, and postponed its advertising campaigns, while providing essential services to keep the park safe. Additionally, the Commission installed signage on the park to remind employees and users of physical distancing guidelines.

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The impact of these changes on the Commission's operations remains unclear since after the gradual resumption of activities, certain sanitary measures are still in force, in accordance with government guidelines. As of June 30, 2021, this situation has not yet been resolved.

As the situation continues to evolve, the Commission continues to follow guidelines from government and public health authorities, prioritizing the health and safety of users and employees.

Approval by Senior Officials

Approved by:

The original version was signed by
Julie Carignan on July 26, 2021

The original version was signed by
Bernard Laquerre on July 26, 2021

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Quebec City, Quebec
July 26, 2021