Parole Board of Canada | Commission des libérations conditionnelles du Canada

# Parole Board of Canada

## Future Oriented Statement of Operations

## March 31, 2021

Canada

**Future-Oriented Statement of Operations (unaudited)**
**For the Year Ending March 31**

| (in thousands of dollars) | Forecast results 2019-20 | Planned results 2020-21 |
|---|---|---|
| **Expenses** | | |
| Conditional release decisions | $ 45,508 | $ 43,480 |
| Conditional release openness and accountability | 4,827 | 4,588 |
| Record suspension decisions and clemency recommendations | 8,221 | 6,027 |
| Internal services | 9,652 | 9,219 |
| **Total expenses** | **68,208** | **63,314** |
| **Revenues** | | |
| Regulatory fees – Record suspension | 5,865 | 5,995 |
| Revenues earned on behalf of Government | (1,497) | (1,530) |
| **Total revenues** | **4,368** | **4,465** |
| **Net cost of operations before government funding and transfers** | **$ 63,840** | **$ 58,849** |

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

## 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 November 30, 2019 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the 2020-21 fiscal year.

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 historical experience. The general historical pattern is expected to continue.

These assumptions are made as at November 30, 2019.

## 2. Variation 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 vary from the forecast information presented, and this variation could be material.

In preparing this Future-Oriented Statement of Operations, the Parole Board of Canada (PBC) has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Factors that could lead to material differences between the future-Oriented Statement of Operations and the Historical financial statement of operations include:

- the timing and amounts of acquisitions and disposals of equipment may affect gains/losses and amortization expense;
- the implementation of new collective agreements;
- economic conditions, which may affect the amount of revenue earned;
- 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 PBC will not be updating the 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 Government'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

The department records expenses on an accrual basis. 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 the liability for severance benefits, are also included in other expenses.

### (b) Revenues

Revenues from regulatory fees for record suspensions are recognized in the accounts once the application has been accepted.

Other revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place.

Revenues that are non-respendable are not available to discharge the department's liabilities. Although the Chairperson is expected to maintain accounting control, she has no authority regarding 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 in reduction of the entity'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**<br>(in thousands of dollars) | | **Forecast results 2019-20** | | **Planned results 2020-21** |
|---|---|---|---|---|
| **Net cost of operations before government funding and transfers** | **$** | **63,840** | **$** | **58,849** |
| **Adjustment for items affecting net cost of operations but not affecting authorities:** | | | | |
| Services provided without charge by other government departments | | (11,364) | | (10,995) |
| Amortization of tangible capital assets | | (611) | | (532) |
| **Total items affecting net cost of operations, but not affecting authorities** | | (11,975) | | (11,527) |
| **Requested authorities** | **$** | **51,865** | **$** | **47,322** |

| **b) Authorities provided / requested**<br>(in thousands of dollars) | | **Forecast results 2019-20** | | **Planned results 2020-21** |
|---|---|---|---|---|
| **Authorities requested** | | | | |
| Vote 1 - Program expenditures | $ | 45,981 | $ | 41,878 |
| Statutory amounts | | 5,884 | | 5,444 |
| **Total requested authorities** | **$** | **51,865** | **$** | **47,322** |