



FINANCIAL CONSUMER AGENCY OF CANADA Quarterly Financial Report For the quarter ended June 30, 2022





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Introduction

The Quarterly Financial Report (QFR) for the Financial Consumer Agency of Canada (FCAC, or the Agency) 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.

The [Financial Consumer Agency of Canada Act](#) (the Act) outlines FCAC's functions and administration and enforcement powers, and lists the sections of federal laws and regulations under its supervision. A description of its program activities can be found in [FCAC's Business Plan 2022-2023](#).

The QFR has not been subjected 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 Agency's spending authorities as set out in section 13 of the Act. 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 Agency uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental results reporting process. However, spending authorities included in this report remain on an expenditure basis.

Highlights of the fiscal quarter and the fiscal year-to-date (YTD) results

FCAC's total expenditures for the three months ended June 30, 2022, totalled \$11,465,268, or 94.4% of its budgeted expenditures of \$12,146,063 for the period, compared to 79.6% for the same period last year. The variance to budget as at June 30, 2022 of \$680,795 is primarily due to lower than planned personnel costs as a result of delays in staffing vacant positions (\$1,378,203), and in professional services costs (\$503,012) due to timing. This underspending was primarily offset by earlier than planned expenditures associated with the Ottawa office modernization project (\$1,567,145).

When compared to the previous year, FCAC's total expenditures for the three months ended June 30, 2022 of \$11,465,268, were \$2,720,229 or 31.1% higher than the same period last year. This variance is primarily due to the office modernization project which resulted in higher spending in acquisition of land, buildings and works costs and professional services (\$2,280,463); and increases in personnel costs (\$532,579) due to the growth of the Agency, as well as economic and merit increases.

Risks and Uncertainties

Enterprise risk management

The environment in which FCAC operates carries an array of risks to the achievement of its mandate and objectives. While many of these challenges are always present, the extent to which they pose a financial risk to FCAC's objectives varies, depending on economic and financial conditions, and the financial industry environment and its impact on financial consumers. FCAC's ability to achieve its mandate depends on the timeliness and effectiveness with which it identifies, evaluates, prioritizes and develops initiatives to address areas where it is most at risk.



Economic, industry and supervisory environment

FCAC operates in a rapidly evolving financial marketplace, including increasingly complex financial products and new technology developed to suit the needs and demands of today's consumers. This may impede FCAC's ability to keep pace with this rapid rate of change.

FCAC must continue to assess the impact of these changes and be prepared to re-allocate funding while remaining flexible. FCAC must also stay abreast of new developments and discussions, both domestically and internationally, and leverage resulting opportunities, while managing risks to ensure the continued achievement of its mandate.

Financial risks

Financial risks, primarily liquidity and credit risks, are closely managed and continue to be rated low.

Significant changes in operations, personnel and programs

There were no significant changes in Operations, Personnel and Programs during the quarter ended June 30, 2022.

Approved by:

Judith Robertson
Commissioner
Financial Consumer Agency of Canada

Werner Liedtke, CPA, CMA
Chief Financial Officer
Financial Consumer Agency of Canada

July 12, 2022



Statement of Authorities (unaudited)

Fiscal Year 2022/-2023			
Authority	Total available for use for the year ending March 31, 2023*	Used during the quarter ended June 30, 2022	Year-to-date used at quarter end
Payments under Section 13 of the <i>Financial Consumer Agency of Canada Act</i>	\$60,776,347	\$11,465,158	\$11,465,158
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	110	110	110
Total authorities	\$60,776,457	\$11,465,268	\$11,465,268

Fiscal Year 2021/-2022			
Authority	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
Payments under Section 13 of the <i>Financial Consumer Agency of Canada Act</i>	\$48,530,754	\$8,743,359	\$8,743,359
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	1,680	1,680	1,680
Total authorities	\$48,532,434	\$8,745,039	\$8,745,039

Note: Totals may not add due to rounding.

*Includes only authorities available for use at quarter-end.



Departmental budgetary expenditures by Standard Object (unaudited)

Fiscal year 2022-2023			
	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended June 30, 2022	Year-to-date used at quarter end
Expenditures:			
Personnel	\$34,205,760	\$6,793,829	\$6,793,829
Transportation and communications	706,871	41,865	41,865
Information	1,451,738	126,701	126,701
Professional and special services	12,194,547	2,101,274	2,101,274
Rentals	3,355,397	739,600	739,600
Repair and maintenance	6,039	903	903
Utilities, materials and supplies	71,753	5,682	5,682
Acquisition of land, buildings and works	5,690,000	1,612,145	1,612,145
Acquisition of machinery and equipment	2,838,746	19,591	19,591
Other subsidies and payments	255,606	23,680	23,680
Total gross budgetary expenditures	\$60,776,457	\$11,465,268	\$11,465,268

Note: Totals may not add due to rounding.



Fiscal year 2021-2022			
	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended June 30, 2021	Year-to-date used at quarter end
Expenditures:			
Personnel	\$29,966,604	\$6,261,250	\$6,261,250
Transportation and communications	808,281	43,631	43,631
Information	1,493,025	169,659	169,659
Professional and special services	9,236,948	1,432,956	1,432,956
Rentals	3,173,490	667,157	667,157
Repair and maintenance	1,905,921	903	903
Utilities, materials and supplies	72,545	9,936	9,936
Acquisition of land, buildings and works	750,000	-	-
Acquisition of machinery and equipment	895,819	167,421	167,421
Other subsidies and payments	229,800	(7,873)	(7,873)
Total gross budgetary expenditures	\$48,532,434	\$8,745,039	\$8,745,039

Note: Totals may not add due to rounding.