

# Canadian Radio-television and Telecommunications Commission

2023-24

Quarterly financial report for the quarter ended  
June 30, 2023

**Canadian Radio-television and Telecommunications Commission**  
**Quarterly Financial Report for the quarter ended June 30, 2023**

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for the quarter ended  
June 30, 2023**

Canada

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

**1. Introduction**

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

A summary description of the Canadian Radio-television and Telecommunications Commission (CRTC) Raison d'être and core responsibilities can be found in [Part II of the Main Estimates](#).

**2. Basis of Presentation**

This QFR has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the CRTC's spending authorities granted by Parliament and those used by the department consistent with the Main Estimates for both the 2022-23 and the 2023-24 fiscal years. This QFR 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 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 CRTC uses the modified 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 remain on an expenditure basis.

In this QFR, only those revenues netted against expenditures (i.e. spendable revenue) are being reported. All other revenue that is designated as non-spendable revenue is not reported in the quarterly financial reports but will be reported annually in the Public Accounts of Canada and in the CRTC's Departmental Results Report (DRR).

**3. Highlights of fiscal quarter and fiscal year to date results**

The CRTC is financed in part by the Government of Canada through Parliamentary authorities (e.g. Statutory Vote for Employee Benefit Plans (EBP), Budgetary Vote for the Canada Anti-Spam Legislation activities and for the Voter Contact Registry). The balance is financed by vote-netted fees it collects from the broadcasting, telecommunications and telemarketing industries.

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Vote-netting is a means of funding selected programs or activities wherein Parliament authorizes a department to apply revenues collected from fee payers towards costs directly incurred for specific activities. The CRTC has the authority to use a portion of: a) the Part I licence fees collected from broadcasters; b) the annual telecommunications fees collected from telecommunications carriers; and c) the unsolicited telecommunications fees collected from telemarketers to finance the costs it incurs in discharging its statutory responsibilities under the *Broadcasting Act* and *Telecommunications Act* (i.e. spendable revenue). The balance of these three fees recovers the costs for items funded through budgetary authorities (e.g. EBP) and costs incurred by other government departments on the CRTC's behalf and are classified as non-spendable revenue.

The majority of the CRTC's vote-netted revenue for the year is collected within the first two quarters of each fiscal year. As a result, it is expected that the CRTC quarterly financial reports will always show the net operating expenditures in a credit position. Further details on CRTC fees and revenues can be found in the 2023-24 Departmental Plan in the supplementary information section entitled "Future-Oriented Statement of Operations".

Authorities

To date in 2023-24, there is a net increase in budgetary authorities of \$2.7 million compared to the authorities granted in the 2022-23 Main Estimates. This increase is primarily attributable to undertaking preliminary work for the implementation of the *Online News Act* (Bill C-18).

There is an increase of \$1.6 million statutory authorities related to EBP.

Expenditures

The CRTC's spending for the first quarter ended June 30, 2023, is higher compared to the previous fiscal year. Year-to-date total gross budgetary expenditures for 2023-24 are up by \$2.6 million over the previous fiscal year. Acquisition of equipment increased by \$0.6 million in 2023-24. This is primarily due to the acquisition of equipment and furniture for the modernization of the boardroom and replacement/upgrade of employee laptops.

**4. Risks and Uncertainties**

The estimated telemarketing and regulatory costs and revenue target for unsolicited telecommunications fees, the CRTC's National Do Not Call List (DNCL), total \$3.3 million per year. A public notice of these amounts was issued in CRTC Compliance and Enforcement Orders [2022-159](#) for 2022-23 and [2023-143](#) for 2023-24.

**5. Significant changes in relation to operations, personnel and programs**

There have been no significant changes in relation to operations, personnel and programs over the past year.

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**6. Approval by Senior Officials**

Approved by:

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Vicky Eatrides  
Chairperson and Chief Executive Officer  
Gatineau, Canada

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Lilia Trombetti acting for Claude Doucet, CPA  
Chief Financial Officer  
Gatineau, Canada

August 22, 2023

August 11, 2023

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Statement of Authorities (unaudited)

Fiscal year 2023-24 (in thousands of dollars)

	Total available for use for the year ending March 31, 2024*	Used during the quarter ended June 30, 2023	Year to date used at quarter-end
Vote 1 – Program expenditures	82,718	17,223	17,223
Less: Revenues netted against expenditures	(72,821)	(28,797)	(28,797)
Net Vote 1 – Program expenditures	9,897	(11,574)	(11,574)
Statutory authorities – EBP	9,933	2,483	2,483
<b>Total Budgetary Authorities</b>	<b>19,830</b>	<b>(9,091)</b>	<b>(9,091)</b>

\* Only includes Authorities available for use and granted by Parliament at quarter-end.

Fiscal year 2022-23 (in thousands of dollars)

	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
Vote 1 – Program expenditures	76,427	15,044	15,044
Less: Revenues netted against expenditures	(67,648)	(25,233)	(25,233)
Net Vote 1 – Program expenditures	8,779	(10,189)	(10,189)
Statutory authorities – EBP	8,356	2,089	2,089
<b>Total Budgetary Authorities</b>	<b>17,135</b>	<b>(8,100)</b>	<b>(8,100)</b>

\* Only includes Authorities available for use and granted by Parliament at quarter-end.

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Departmental budgetary expenditures by Standard Object (unaudited)

Fiscal year 2023-24 (in thousands of dollars)

	Planned expenditures for the year ending March 31, 2024	Used during the quarter ended June 30, 2023	Year to date used at quarter-end
<b>Expenditures:</b>			
Personnel (including EBP)	75,284	16,589	16,589
Transportation and communications	1,494	307	307
Information	3,039	502	502
Professional and special services	9,378	807	807
Rentals	1,771	798	798
Repair and maintenance	226	59	59
Utilities, materials and supplies	214	39	39
Acquisition of machinery and equipment	1,233	605	605
Other subsidies and payments	12	0	0
Total gross budgetary expenditures	92,651	19,706	19,706
<b>Less: revenues netted against expenditures</b>			
Revenues (Part I Broadcasting licence fees, Telecommunications fees and Unsolicited telecommunications fees)	(72,821)	(28,797)	(28,797)
Total revenues netted against expenditures	(72,821)	(28,797)	(28,797)
<b>Total Net Budgetary Expenditures</b>	<b>19,830</b>	<b>(9,091)</b>	<b>(9,091)</b>



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Fiscal year 2022-23 (in thousands of dollars)

	<b>Planned expenditures for the year ending March 31, 2023</b>	<b>Used during the quarter ended June 30, 2022</b>	<b>Year to date used at quarter-end</b>
<b>Expenditures:</b>			
Personnel (including EBP)	67,373	15,849	15,849
Transportation and communications	1,160	126	126
Information	3,200	285	285
Professional and special services	9,780	321	321
Rentals	1,614	418	418
Repair and maintenance	198	0	0
Utilities, materials and supplies	264	133	133
Acquisition of machinery and equipment	1,181	1	1
Other subsidies and payments	13	0	0
Total gross budgetary expenditures	84,783	17,133	17,133
<b>Less: revenues netted against expenditures</b>			
Revenues (Part I Broadcasting licence fees, Telecommunications fees and Unsolicited telecommunications fees)	(67,648)	(25,233)	(25,233)
Total revenues netted against expenditures	(67,648)	(25,233)	(25,233)
<b>Total Net Budgetary Expenditures</b>	<b>17,135</b>	<b>(8,100)</b>	<b>(8,100)</b>