



Government
of Canada

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du Canada

Quarterly Financial Report for FCAC for the quarter ended December 31, 2023

From: Financial Consumer Agency of Canada

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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 2023-2024.

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

Quarterly results

FCAC's total expenditures for the three months ended December 31, 2023, totalled \$12,937,046 or 77.2% of its budgeted expenditures of \$16,764,424 for the period, compared to 88.6% for the same period last year. The variance to budget as at December 31, 2023 of \$3,827,378 is primarily due to lower than planned personnel costs (\$1,558,308), and timing delays related to professional services costs (\$1,455,679).

When compared to the previous year, FCAC's total expenditures for the three months ended December 31, 2023 of \$12,937,046, were \$201,787 or 1.6% higher than the same period last year. This variance is primarily due to the growth of the Agency, as well as economic and merit increases; offset by lower than planned acquisition of land, building and works, and acquisition of machinery and equipment due to the Ottawa office modernization project.

Year-to-date results

FCAC's total expenditures for the nine months ended December 1, 2023, totalled \$37,677,314 or 80.3% of its budgeted expenditures of \$46,907,467 for the period, compared to 86.9% for the same period last year. The variance to budget as at December 31, 2023 of \$9,230,153 is primarily due to lower than planned personnel costs (\$5,074,228), and to timing delays related to professional services (\$3,311,755).

When compared to the previous year, FCAC's total expenditures for the nine months ended December 31, 2023 of \$37,677,314, were \$310,168 or 0.8% higher than the same period last year. This variance is primarily due to

increases in personnel costs (\$4,788,691) due to the planned growth of the Agency, as well as economic and merit increases, offset by lower than planned spending in acquisition of land, buildings and works costs (\$4,042,062) and acquisition of machinery and equipment (\$812,181) due to the Ottawa office modernization project that occurred in 2022-23.

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 December 31, 2023.

Approved by:

Judith Robertson

Commissioner

Financial Consumer Agency of Canada

Werner Liedtke, CPA, CMA

Chief Financial Officer

Financial Consumer Agency of Canada

January 18, 2024

Statement of Authorities (unaudited)

Fiscal year 2023-2024

Authority	Total available for use for the year ending March 31, 2024*	Used during the quarter ended December 31, 2023	Year-to-date used at quarter end
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Authority	Total available for use for the year ending March 31, 2024*	Used during the quarter ended December 31, 2023	Year-to-date used at quarter end
Payments under Section 13 of the <i>Financial Consumer Agency of Canada Act</i>	\$64,223,152	\$12,937,046	\$37,677,314
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	-	-	-
Total authorities	\$64,223,152	\$12,937,046	\$37,677,314

Fiscal year 2022-2023

Authority	Total available for use for the year ending March 31, 2023*	Used during the quarter ended December 31, 2022	Year-to-date used at quarter end
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Authority	Total available for use for the year ending March 31, 2023*	Used during the quarter ended December 31, 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	\$12,735,259	\$37,367,036
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	110	-	110
Total authorities	\$60,776,457	\$12,735,259	\$37,367,146

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 2023-2024

Expenditures	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended December 31, 2023	Year-to-date used at quarter end
Personnel	\$42,546,879	\$8,974,202	\$25,995,408
Transportation and communications	928,822	\$143,280	446,406
Information	2,648,304	\$280,429	690,058
Professional and special services	12,966,292	\$2,039,579	6,342,462
Rentals	3,641,048	\$1,047,214	2,710,372
Repair and maintenance	6,158	\$903	10,825
Utilities, materials and supplies	63,894	\$19,920	54,843
Acquisition of land, buildings and works	375,491	\$141,869	542,514
Acquisition of machinery and equipment	795,746	\$275,293	549,029
Other subsidies and payments	250,518	\$14,357	335,398

Expenditures	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended December 31, 2023	Year-to-date used at quarter end
Total gross budgetary expenditures	\$64,223,152	\$12,937,046	\$37,677,314

Note: Totals may not add due to rounding.

Fiscal year 2022-2023

Expenditures	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended December 31, 2022	Year-to-date used at quarter end
Personnel	\$34,205,760	\$7,278,797	\$21,206,717
Transportation and communications	706,871	146,665	246,399
Information	1,451,738	380,084	712,743
Professional and special services	12,194,547	2,319,331	6,858,743
Rentals	3,355,397	733,910	2,192,650
Repair and maintenance	6,039	1,275	3,080

Expenditures	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended December 31, 2022	Year-to-date used at quarter end
Utilities, materials and supplies	71,753	15,446	43,159
Acquisition of land, buildings and works	5,690,000	1,017,629	4,584,576
Acquisition of machinery and equipment	2,838,746	824,499	1,361,210
Other subsidies and payments	255,606	17,623	157,868
Total gross budgetary expenditures	\$60,776,457	\$12,735,259	\$37,367,146

Note: Totals may not add due to rounding.

Date modified:

2024-02-14