



Quarterly Financial Report for the quarter ending June 30, 2024

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



1. Introduction

This quarterly report has been prepared by Library and Archives Canada (LAC) as required by [section 65.1 of the *Financial Administration Act*](#) and in the form and manner prescribed by Treasury Board. This quarterly report should be read in conjunction with the 2024–2025 [Main Estimates](#).

This quarterly report has not been subject to an independent audit or review.

1.1 Library and Archives Canada’s mandate

Under the *Library and Archives of Canada Act*, the mandate of LAC is as follows:

- Preserve the documentary heritage of Canada for the benefit of present and future generations.
- Serve as a source of enduring knowledge accessible to all, contributing to the cultural, social and economic advancement of Canada as a free and democratic society.
- Facilitate in Canada co-operation among the communities involved in the acquisition, preservation and diffusion of knowledge.
- Serve as the continuing memory of the Government of Canada and its institutions.

The Minister of Canadian Heritage is responsible for LAC.

1.2 Basis of presentation

This quarterly report has been prepared by LAC using an expenditure basis of accounting. The accompanying Statement of Authorities includes the spending authorities granted by Parliament and used by LAC, consistent with the [Main Estimates](#) for the 2024–2025 fiscal year. This quarterly report has also 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 money 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.

LAC uses the full accrual method of accounting to prepare and present its annual departmental financial statements, which are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain prepared on an expenditure basis.

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

2.1 Statement of Authorities

As reflected in the Statement of Authorities below, total authorities available for use as of June 30, 2024, are \$199.8 million, compared to \$203.8 million as of June 30, 2023. The following table provides the detailed list of authorities by fiscal year:

Authority Vote/Statutory	Description	For the quarter ended June 30, 2024	For the quarter ended June 30, 2023
Vote 1	Operating Expenditures	138,120,885	152,986,024
Vote 1	Revenue credited to the vote	(3,500,000)	(5,200,000)
Vote 5	Capital Expenditures	52,582,597	40,537,795
Statutory	Spending of proceeds from the disposal of surplus Crown assets	5,136	2,916
Statutory	Contributions to employee benefit plans	12,603,208	15,511,154
Total authorities		199,811,826	203,837,889

The net decrease of \$4.0 million in funding results mainly from the following:

- A decrease of \$17.6 million in temporary funding for the access to information and litigation support function;
- A decrease of \$6.6 million for the real property portfolio;
- A decrease of \$2.7 million in statutory adjustments;
- A decrease of \$2.3 million for the Refocusing Government Spending Initiative announced in Budget 2023;
- A decrease of \$0.9 million for the sunseting of funding for the Federal Pathway to Address Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ People announced in Budget 2021;
- An increase of \$14.5 million for the partnership between Library and Archives Canada and Ottawa Public Library for the Ādisōke project;
- An increase of \$7.6 million for salary adjustments following the ratification of collective agreements;
- An increase of \$2.3 million in temporary funding for the implementation of the Federal Framework to Address the Legacy of Residential Schools announced in Budget 2022; and

- An increase of \$1.7 million in temporary funding related to a transfer from the Department of National Defence for the LGBT purge class action settlement.

2.2 Statement of Departmental Budgetary Expenditures by Standard Object

As presented in the Statement of Departmental Budgetary Expenditures by Standard Object, the year-to-date expenditures totalled \$41.6 million as of June 30, 2024, compared to \$37.9 million as of June 30, 2023. The increase of \$3.7 million is explained mainly by the following:

- A net increase of \$5.5 million in expenditures related to personnel, mainly attributable to
 - salary adjustments following the ratification of collective agreements and
 - the initiative related to the implementation of the Federal Framework to Address the Legacy of Residential Schools announced in Budget 2022;
- A net decrease of \$1.1 million in the following departmental expenditures, mainly related to the real property portfolio as well as the partnership between LAC and Ottawa Public Library for the Ādisōke project, as detailed below:
 - A net decrease of \$0.7 million in expenditures for “acquisition of land, buildings and works”; and
 - A net decrease of \$0.4 million in departmental expenditures related to “professional and special services”;
- A net decrease of \$0.7 million in other departmental expenditures.

3. Risks and uncertainties

The following section presents LAC’s key risks:

- If LAC fails to find additional storage space solutions and to carry out the necessary work to maintain its aging facilities, there are risks that LAC will not be able to acquire more material, that existing collections will not be preserved according to standards and that they may deteriorate or be lost.
- If LAC does not efficiently improve and maintain its services and digital systems, it may not be able to give access to its collections.

4. Significant changes in relation to operations, personnel and programs

There are no significant changes in the organization’s personnel, activities and programs during the first quarter, which ended on June 30, 2024.

Approval by senior officials

Original signed by:

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Librarian and Archivist of Canada
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July 25, 2024

Julie Charbonneau
Acting Assistant Deputy Minister,
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July 23, 2024

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Statement of Authorities (unaudited)

<i>(in dollars)</i>	Fiscal year 2024-2025			Fiscal year 2023-2024		
	Total available for use for the year ending March 31, 2025*	Used during the quarter ended June 30, 2024	Year-to-date used at quarter-end	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 - Operating Expenditures	134,620,885	35,813,462	35,813,462	147,786,024	30,565,146	30,565,146
Vote 5 - Capital Expenditures	52,582,597	2,623,507	2,623,507	40,537,795	3,439,104	3,439,104
Contributions to the employee benefit plans	12,603,208	3,150,802	3,150,802	15,511,154	3,877,789	3,877,789
Spending of proceeds from the disposal of surplus Crown assets	5,136	-	-	2,916	-	-
Total budgetary authorities	199,811,826	41,587,771	41,587,771	203,837,889	37,882,039	37,882,039
Non-budgetary authorities	-	-	-	-	-	-
Total authorities	199,811,826	41,587,771	41,587,771	203,837,889	37,882,039	37,882,039

**Includes only Authorities available for use and granted by Parliament at quarter-end.*

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Departmental budgetary expenditures by Standard Object (unaudited)

<i>(in dollars)</i>	Fiscal year 2024-2025			Fiscal year 2023-2024		
	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended June 30, 2024	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter-end
Expenditures:						
Personnel	103,930,801	29,762,729	29,762,729	117,558,220	24,247,937	24,247,937
Transportation and communications	1,544,860	147,466	147,466	1,647,238	109,810	109,810
Information	767,795	67,178	67,178	767,795	9,357	9,357
Professional and special services	10,722,505	2,384,604	2,384,604	14,619,579	2,803,077	2,803,077
Rentals	3,326,271	2,489,487	2,489,487	3,503,133	1,980,684	1,980,684
Repair and maintenance	5,174,973	27,651	27,651	7,889,681	31,978	31,978
Utilities, materials and supplies	4,533,856	327,292	327,292	6,934,351	279,667	279,667
Acquisition of land, buildings and works	51,382,459	2,507,596	2,507,596	37,613,330	3,249,781	3,249,781
Acquisition of machinery and equipment	3,260,552	362,733	362,733	2,469,043	99,804	99,804
Transfer payments	2,656,000	1,664,020	1,664,020	3,305,000	1,568,081	1,568,081
Public debt charges	5,532,191	900,524	900,524	5,520,397	928,603	928,603
Other subsidies and payments	10,479,563	986,509	986,509	7,210,122	2,594,768	2,594,768
Total gross budgetary expenditures	203,311,826	41,627,789	41,627,789	209,037,889	37,903,547	37,903,547
Less Revenues netted against expenditures:						
Responsible Revenues	3,500,000	40,018	40,018	5,200,000	21,508	21,508
Total Revenues netted against expenditures	3,500,000	40,018	40,018	5,200,000	21,508	21,508
Total net budgetary expenditures	199,811,826	41,587,771	41,587,771	203,837,889	37,882,039	37,882,039