



Civilian Review and
Complaints Commission
for the RCMP

Commission civile d'examen
et de traitement des plaintes
relatives à la GRC

Civilian Review and Complaints Commission For the RCMP

Future-Oriented Financial Statements

For the Years Ending March 31, 2017 and March 31, 2018

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Canada

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP**Future-Oriented Statement of Operations (unaudited)****For the Year Ending March 31**

	Forecast results 2016-17	Planned results 2017-18
	(in dollars)	
Expenses		
Civilian review of RCMP members' conduct in the performance of their duties	\$8,692,493	\$8,159,330
Internal services	3,075,890	2,895,662
Total expenses	11,768,383	11,054,992
Revenues		
Miscellaneous revenues	6,500	10,837
Revenues earned on behalf of government	(6,500)	(10,837)
Total revenues	-	-
Net cost of operations before government funding and transfers	\$11,768,383	\$11,054,992

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 2016–17 is based on actual results as at December 16th, 2016 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the 2017-18 fiscal year.

The main assumptions underlying the forecasts are as follows:

- The commission's activities will remain substantially the same as for 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 December 16th, 2016.

2. Variations and changes to the forecast financial information

Although every attempt has been made to forecast final results for the remainder of 2016–17 and for 2017–18, actual results achieved for both years are likely to differ from the forecast information presented, and this variation could be material.

In preparing this Future-Oriented Statement of Operations, the Civilian Review and Complaints Commission for the RCMP has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

Factors that could lead to material differences between the Future-Oriented Statement of Operations and the historical statement of operations include:

- the timing and the amount of acquisitions and disposals of property, plant and equipment may affect gains/losses and amortization expense;
- the implementation of new collective agreements; and
- 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 Civilian Review and Complaints Commission for the RCMP 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 the Government of Canada's accounting policies in effect for fiscal year 2016–17, 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 commission records expenses on an accrual basis.

Expenses for the commission's operations are recorded when goods are received or services are rendered, including services provided without charges for accommodation, employee contributions to health and dental insurance plans, legal services and worker's compensation, which are recorded as expenses at their estimated cost. Vacation pay and compensatory leave, as well as severance benefits, are accrued, and expenses are recorded as the benefits are earned by employees under their respective terms of employment.

Expenses also include provisions to reflect changes in the value of assets, including provisions for bad debt on accounts receivable, provision for valuation on loans, investments and advances and inventory obsolescence, or liabilities, including contingent liabilities and environmental liabilities to the extent the future event are likely to occur and a reasonable estimate can be made.

Expenses also include amortization of tangible capital assets, which are capitalized at their acquisition cost. Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset.

b) Revenues

Revenues from regulatory fees are recognized in the accounts based on the services provided in the year.

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 commission's liabilities. Although the Chair is expected to maintain accounting control, he or she has no authority over 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 as a reduction of the commission's gross revenues.

4. Parliamentary authorities

The commission is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the commission 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 commission 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

	Forecast results 2016-17	Planned results 2017-18
	(in dollars)	
Net cost of operations before government funding and transfers	\$11,768,383	\$11,054,992
Adjustment for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capitals assets	(119,576)	(151,576)
Services provided without charge by other government departments	(1,260,439)	(1,281,314)
Decrease (increase) in vacation pay and compensatory leave	(9,905)	(10,888)
Decrease (increase) in employee future benefits	21,775	(8,760)
Adjustments to previous years' payables at year-end	69,705	81,376
Refunds of previous years' expenditures	10,000	24,487
Total items affecting net cost of operations but not affecting authorities	(1,288,440)	(1,346,675)
Adjustment for items not affecting net cost of operations but affecting authorities:		
Acquisition of tangible assets	-	320,000
Total items not affecting net cost of operations but affecting authorities	-	320,000
Requested authorities	\$10,479,943	\$10,028,317

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP
Notes to the Future-Oriented Statements of Operations (unaudited)

b) Authorities requested

	Forecast results	Planned results
	2016-17	2017-18
	(in dollars)	
Authorities requested		
Vote 1: operating expenditures	\$9,477,435	\$9,025,809
Statutory amounts	1,002,508	1,002,508
Total authorities requested	\$10,479,943	\$10,028,317