

Secretariat of the National Security and Intelligence Committee of Parliamentarians

Quarterly Financial Report For the quarter ended September 30, 2024

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Introduction

This quarterly report 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 Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report. This quarterly financial report should be read in conjunction with the 2024-25 Main Estimates, as well as previous Quarterly Financial Reports. This quarterly report has not been subject to an external audit or review.

Mandate

The National Security and Intelligence Committee of Parliamentarians Act received Royal Assent on June 22, 2017. It formally establishes the Secretariat of the National Security and Intelligence Committee of Parliamentarians (the Secretariat). The Secretariat assists the National Security and Intelligence Committee of Parliamentarians in fulfilling its mandate, which is to review:

- The legislative, regulatory, policy, administrative and financial framework for national security and intelligence;
- Any activity carried out by a department that relates to national security or intelligence, unless the activity is an ongoing operation, and the appropriate Minister determines that the review would be injurious to national security; and
- Any matter relating to national security or intelligence that a minister of the Crown refers to the Committee.

The Secretariat ensures the Committee receives timely access to relevant, classified information and strategic and expert advice in the conduct of reviews by the Committee. It assists in the development of reports and provides support to ensure compliance with security requirements.

The Secretariat developed a Departmental Results Framework and an accompanying Program Inventory in 2020-21 and began implementing both in 2021-22. The details of the Departmental Results Framework and the Program Inventory are included in the Secretariat's 2024-25 Departmental Plan.

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the department's spending authorities granted by Parliament and those used by the department, consistent with the 2024-25 Main Estimates and Supplementary Estimates (as applicable) for 2024-25 fiscal year. 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 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.

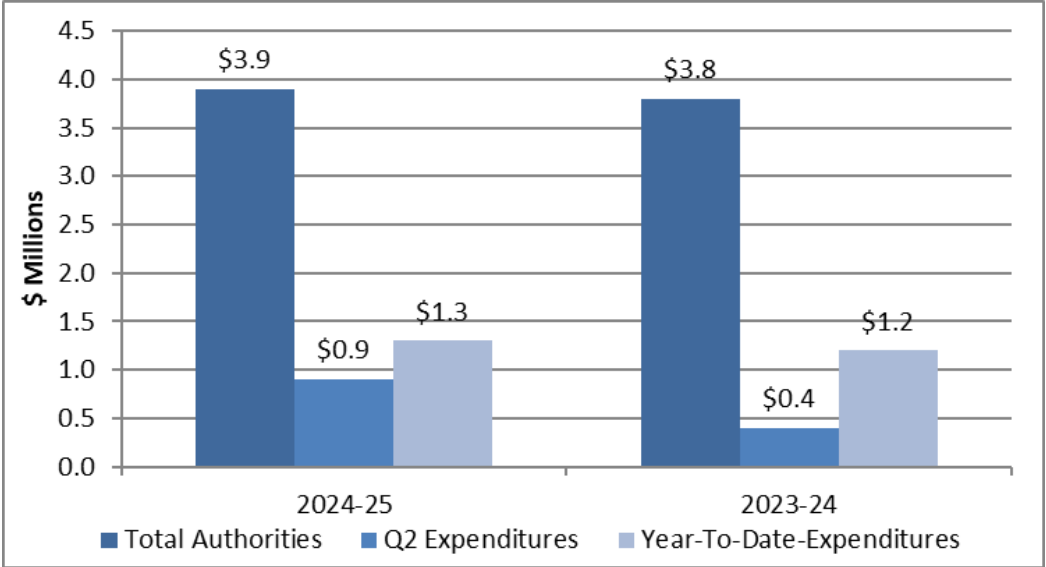
The Secretariat uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

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

This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year and actual expenditures for the quarter ended September 30, 2024.

The Secretariat spent approximately 33% of its authorities by the end of the second quarter, compared to 32% in the same quarter of 2023-24 (see graph 1 below).

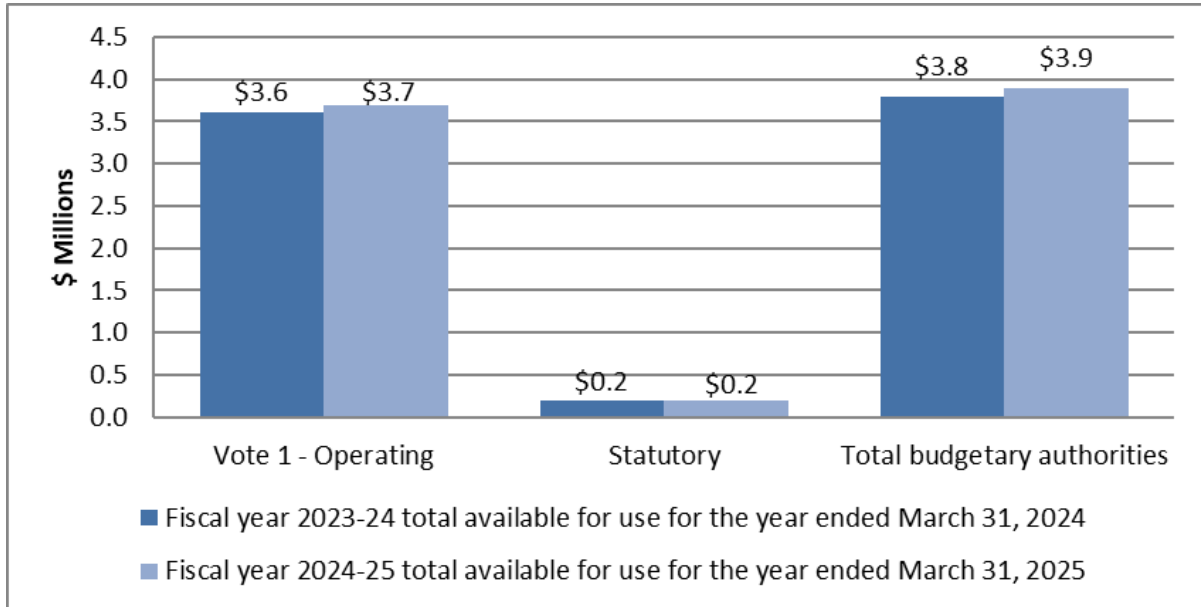
Graph 1: Comparison of Total Authorities and Total Net Budgetary Expenditures as of Q2 2024-25 and 2023-24



Significant changes to authorities

As depicted in graph 2 below (as of September 30, 2024) and Annex A, presented at the end of this document, the Secretariat has authorities available for use of \$3.9 million in 2024-25 compared to \$3.8 million as of September 30, 2023, for a net increase of \$0.1 million or 3%.

Graph 2: Variance in Authorities as of September 30, 2024



Significant changes to quarter expenditures

The second quarter expenditures totaled \$861,000 for an increase of \$463,000 (116%) when compared to \$398,000 spent during the same period in 2023-24. Table 1 below presents budgetary expenditures by standard object.

Table 1 – Material variances to expenditures by standard object quarterly comparison

Material Variances to Expenditures by Standard Object (in thousands of dollars)	Fiscal year 2024-25 Expended during the quarter ended 30-September-2024	Fiscal year 2023-24 Expended during the quarter ended 30-September-2023	Variance \$	Variance %
Personnel	396	318	78	25%
Transportation and communications	1	1	0	0%
Information	16	0	16	-
Professional and special services	398	49	349	709%
Rentals	48	24	24	101%
Utilities, materials and supplies	1	0	1	-
Acquisition of machinery and equipment	1	0	1	-
Other subsidies and payments	(0)	5	(5)	(94%)
Total gross budgetary expenditures *	861	398	463	116%

* Details may not add to totals due to rounding

Personnel

The total increase of \$78,000 is mainly attributed to the timing of salary recoveries from other government departments. Additionally, in this quarter the Committee began functioning at a full Committee complement with the appointment of a new Member.

Professional and special services

The increase of \$349,000 in Professional and special services is mainly attributed to a timing difference in receiving information technology support services for the Secretariat’s offices. Invoices for the current fiscal year were received in Q2, as opposed to previous year invoices which were received in Q1. The Secretariat also commenced using a professional transcription service in this quarter.

Rentals

The increase of \$24,000 in Rentals is mainly attributed to timing differences in receiving rental invoices for the Secretariat’s offices.

Significant changes to year-to-date expenditures

The year-to-date expenditures totaled \$1,282,000 for an increase of \$117,000 (10%) when compared to \$1,165,000 spent during the same period in 2023-24. Table 2 below presents budgetary expenditures by standard object.

Table 2 – Material variances to expenditures by standard object year-to-date comparison

Material Variances to Expenditures by Standard Object (in thousands of dollars)	YTD Expenditures as of 30-September-2024	YTD Expenditures as of 30-September-2023	Variance \$	Variance %
Personnel	742	685	57	8%
Transportation and communications	1	4	(3)	(79%)
Information	18	0	18	-
Professional and special services	467	422	45	11%
Rentals	48	48	0	0%
Utilities, materials and supplies	3	0	3	-
Acquisition of machinery and equipment	3	0	3	-
Other subsidies and payments	0	6	(6)	(94%)
Total gross budgetary expenditures *	1,282	1,165	117	10%

* Details may not add to totals due to rounding

Personnel

No variances of note.

Risks and Uncertainties

The Secretariat has conducted staffing competitions during this fiscal period to ensure that it has a full staff complement of 10 full-time equivalents in 2023-24 and thereafter. This will increase expenditures in upcoming fiscal periods but will not exceed the Secretariat's budgetary allocations for personnel.

No other financial pressures are foreseen, and the Secretariat anticipates continuing operations within its existing funding envelope.

Significant changes in relation to operations, personnel and programs

There are no changes to report in relation to Operation, Personnel and Programs.

Approval by Senior Officials

Lisa-Marie Inman, Executive Director
Ottawa, Ontario
November 29, 2024

Arryn Ketter, Chief Financial Officer
Ottawa, Ontario
November 29, 2024

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STATEMENT OF AUTHORITIES (unaudited) (note 2)

<i>(In dollars)</i>	Fiscal year 2024-2025			Fiscal Year 2023-2024		
	Total available for use for the year ending March 31, 2025 (note 1)	Used during the quarter ended September 30, 2024	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2024 (note 1)	Used during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	3,658,287	802,999	1,165,950	3,579,910	336,739	1,042,752
Budgetary statutory authorities						
Contributions to employee benefits plans	232,784	58,196	116,392	244,482	61,121	122,241
Total budgetary authorities	3,891,071	861,195	1,282,342	3,824,392	397,860	1,164,993
TOTAL AUTHORITIES	3,891,071	861,195	1,282,342	3,824,392	397,860	1,164,993

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year.

Note 2: Details may not add to totals due to rounding

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(In dollars)

	Fiscal year 2024-2025			Fiscal Year 2023-2024		
	Planned expenditures for the year ending March 31, 2025 (note 1)	Expended during the quarter ended September 30, 2024	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2024 (note 1)	Used during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Budgetary expenditures						
Personnel	1,919,625	395,816	741,889	1,852,917	318,243	685,242
Transportation and communications	63,963	603	855	6,502	1,361	3,850
Information	13,024	16,313	17,566	19,844	-	-
Professional and special services	1,717,356	397,997	467,256	1,767,441	49,181	421,979
Rentals	160,762	48,470	48,470	142,456	23,731	47,463
Repair and maintenance	-	-	-	418	-	-
Utilities, materials and supplies	8,822	835	2,858	12,068	-	48
Acquisition of machinery and equipment	7,346	1,225	3,447	22,745	-	-
Other subsidies and payments	173	63	-	-	5,343	6,412
Total gross budgetary expenditures	3,891,071	861,195	1,282,342	3,824,392	397,860	1,164,993
TOTAL NET BUDGETARY EXPENDITURES	3,891,071	861,195	1,282,342	3,824,392	397,860	1,164,993

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year.

Note 2: Details may not add to totals due to rounding