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Quarterly Financial Report for FCAC for the quarter ended June 30, 2024

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.

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

FCAC's total expenditures for the three months ended June 30, 2024, totalled \$12,785,459, or 83.2% of its budgeted expenditures of \$15,368,204 for the period, compared to 79.4% for the same period last year. The variance to budget as at June 30, 2024 of \$2,582,745 is primarily due to lower than planned personnel costs as a result of delays in staffing vacant positions (\$1,442,623), and timing delays related to professional services costs (\$844,505), software licenses (\$144,663), and other expenditures (\$150,954).

When compared to the previous year, FCAC's total expenditures for the three months ended June 30, 2024 of \$12,785,459, were \$626,301 or 5.15% higher than the same period last year. This variance is primarily due to increases in personnel costs (\$571,979), higher information costs (\$120,928), and higher spending in rental costs due to increased software license and maintenance fees (\$187,044). These increases are partially offset by lower spending in professional services (\$118,994) and acquisition of machinery and equipment (\$81,337).

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

On June 20, 2024, FCAC has formally received the mandate to oversee, administer and enforce Canada's Consumer-Driven Banking Framework. Authorities and budgetary expenditures related to this change in mandate are not included in the information reported as at June 30, 2024.

Approved by:

Werner Liedtke

Interim Commissioner and Chief Financial Officer

Financial Consumer Agency of Canada

July 23, 2024

Statement of Authorities (unaudited)

Fiscal year 2024-2025

Authority	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
Payments under Section 13 of the <i>Financial Consumer Agency of Canada Act</i>	\$63,823,215	\$12,785,459	\$12,785,459
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	-	-	-
Total authorities	\$63,823,215	\$12,785,459	\$12,785,459

Fiscal year 2023-2024

Authority	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
Payments under Section 13 of the <i>Financial Consumer Agency of Canada Act</i>	\$64,223,152	\$12,159,158	\$12,159,158
Spending of Amounts Equivalent to Proceeds from Disposal of Surplus Moveable Crown Assets	-	-	-
Total authorities	\$64,223,152	\$12,159,158	\$12,159,158

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 2024-2025

Expenditures	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended June 30, 2024	Year-to-date used at quarter end
Personnel	\$42,532,383	\$9,165,862	\$9,165,862
Transportation and communications	747,233	143,904	143,904
Information	2,772,248	316,561	316,561
Professional and special services	11,807,435	2,017,297	2,017,297
Rentals	4,418,112	974,615	974,615
Repair and maintenance	6,281	903	903
Utilities, materials and supplies	57,880	10,880	10,880
Acquisition of land, buildings and works	-	-	-
Acquisition of machinery and equipment	684,207	65,273	65,273
Other subsidies and payments	797,436	90,162	90,162

Expenditures	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended June 30, 2024	Year-to-date used at quarter end
Total gross budgetary expenditures	\$63,823,215	\$12,785,459	\$12,785,459

Note: Totals may not add due to rounding.

Fiscal year 2023-2024

Expenditures	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter end
Personnel	\$42,546,879	\$8,593,883	\$8,593,883
Transportation and communications	928,822	201,985	201,985
Information	2,648,304	195,633	195,633
Professional and special services	12,966,292	2,136,291	2,136,291
Rentals	3,641,048	787,571	787,571
Repair and maintenance	6,158	903	903
Utilities, materials and supplies	63,894	14,573	14,573

Expenditures	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter end
Acquisition of land, buildings and works	375,491	-	-
Acquisition of machinery and equipment	795,746	146,610	146,610
Other subsidies and payments	250,518	81,709	81,709
Total gross budgetary expenditures	\$64,223,152	\$12,159,158	\$12,159,158

Note: Totals may not add due to rounding.

Date modified:

2024-08-19