Government of Canada
Privy Council Office

Gouvernement du Canada
Bureau du Conseil privé

Canada

Privy Council Office

Quarterly Financial Report for the Quarter Ended September 30, 2025

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

Quarterly Financial Report for the quarter ended September 30, 2025.

Information contained in this publication or product may be reproduced, in part or in whole, and by any means, for personal or public non-commercial purposes without charge or further permission, unless otherwise specified. Commercial reproduction and distribution are prohibited except with written permission from the Privy Council Office.

For more information, contact:

Privy Council Office
85 Sparks Street, Room 1000
Ottawa, ON Canada K1A 0A3
info@pco-bcp.gc.ca

© His Majesty the King in Right of Canada, 2025.

Cette publication est également disponible en français :
Rapport financier trimestriel pour le trimestre se terminant le 30 septembre 2025.

ISSN: 2818-100X
CP1-17E-PDF

Table of Contents

1. Introduction 4
1.1 Mandate 4
1.2 Basis of presentation 4
2. Highlights of fiscal quarter and fiscal year to date results 5
2.1 Significant changes to authorities 5
2.2 Significant changes to quarter expenditures 6
2.3 Significant changes to year-to-date expenditures 8
3. Risks and uncertainties 9
4. Significant changes in relation to operations, personnel and programs 9
5. Approval by senior officials 10
6. Annexes A & B 111

1. 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 Main Estimates and previous Quarterly Financial Reports. For more information on Privy Council Office (PCO), please visit PCO's website.

This quarterly report has not been subject to an external audit or review but has been shared with and reviewed by the PCO Departmental Audit Committee.

1.1 Mandate

PCO supports the development and implementation of the Government of Canada's policy and legislative agendas, coordinates responses to issues facing the Government and the country and supports the effective operation of Cabinet. PCO is led by the Clerk of the Privy Council, who also serves as Secretary to the Cabinet and the Head of the Public Service.

PCO's key priorities are to:

- Provide non-partisan advice to the Prime Minister, PCO's portfolio ministers, Cabinet, and Cabinet committees on matters of national and international importance;
- Support the smooth functioning of the Cabinet decision-making process to help implement the Government's agenda;
- Ensure Canada is safe and secure, and promote a fair, transparent, and democratic government; and
- Foster an effective, diverse, inclusive, and innovative public service.

1.2 Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes PCO's spending authorities granted by Parliament and those used by the department, consistent with the 2025-26 Main Estimates and Supplementary Estimates (A). This quarterly report has been prepared using a special purpose financial reporting framework (expenditure basis) 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.

PCO uses the full accrual method of accounting to prepare and present its annual departmental financial statements[1] that are part of the departmental results reporting process. The spending authorities voted by Parliament remain on an expenditure basis.

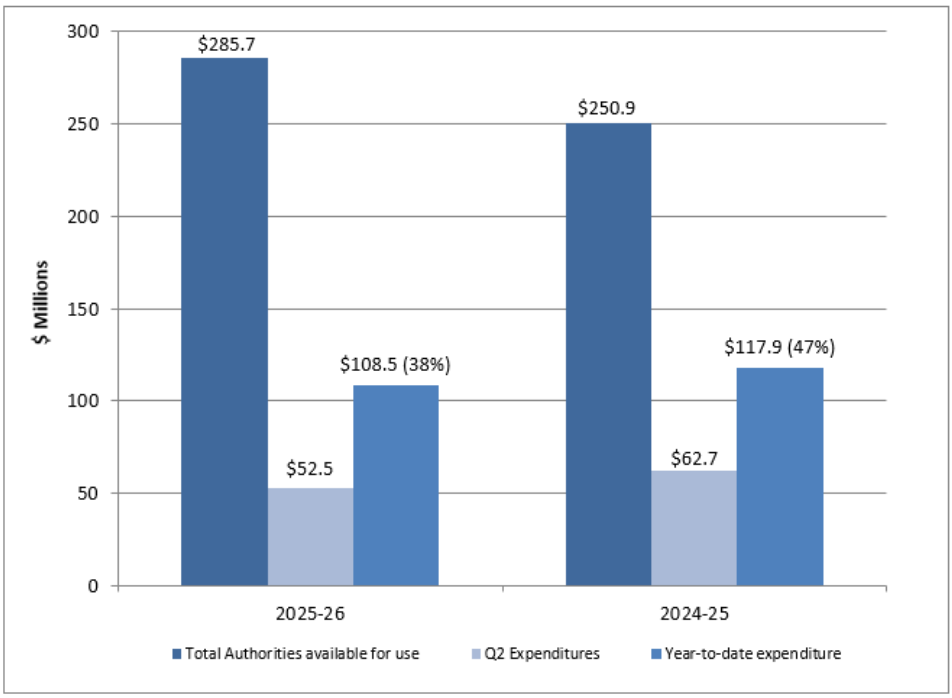
[1] The notes to the annual departmental financial statements include a reconciliation between full accrual results and spending authorities.

2. Highlights of fiscal quarter and fiscal year to date 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, 2025.

PCO spent approximately 38% of its authorities available for use at the end of the second quarter of 2025-26, compared to 47% at the end of the same quarter of 2024-25 (see graph 1 below).

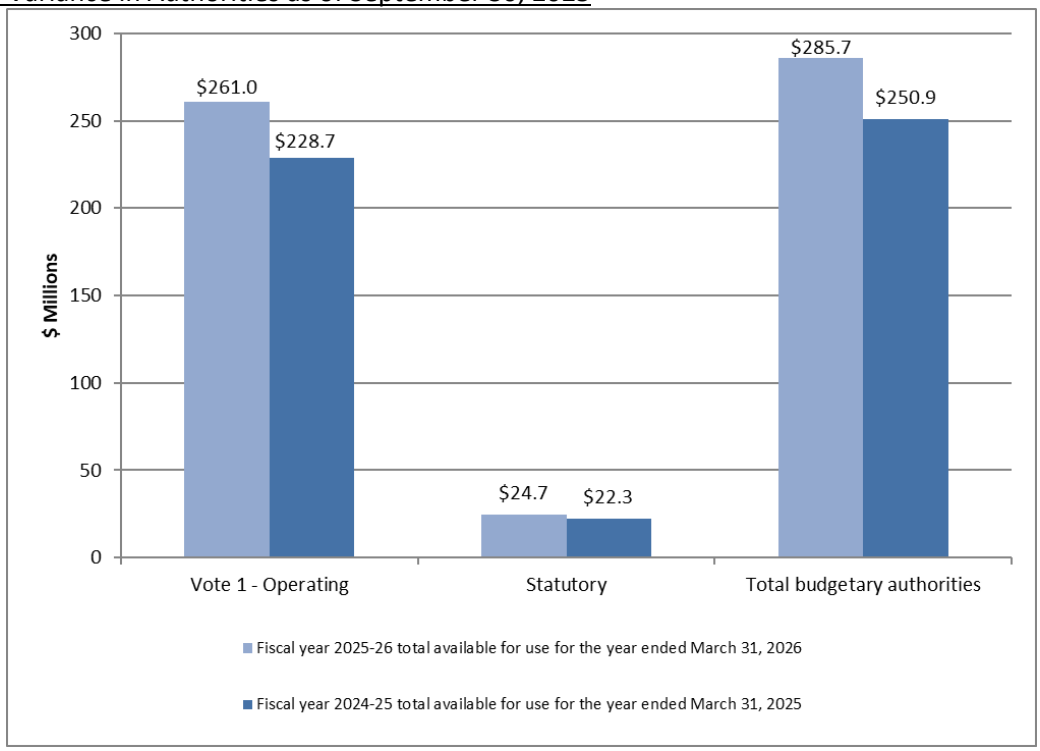
Graph 1: Comparison of Total Authorities Available for Use and Total Net Budgetary Expenditures as of Q2 2025-26 and 2024-25



2.1 Significant changes to authorities

Further to graph 2 below and Annex A, presented at the end of this document, as of September 30, 2025, PCO has authorities available for use of $285.7 million in 2025-26 compared to $250.9 million as of September 30, 2024, for a net increase of $34.8 million or 14%. The net increase in authorities is mainly explained by funding allocated in 2025-26 for the provision of candidate security services during the federal electoral process and election or post-election related costs, the establishment of the Major Projects Office, and the enhancement of PCO's security posture. This is partially offset by a decrease in funding stemming from the conclusion of the core mandate of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions on February 11, 2025. Commissions of Inquiry are independent organizations but are reported under PCO's financial statements.

Graph 2: Variance in Authorities as of September 30, 2025



2.2 Significant changes to quarter expenditures

The second quarter expenditures totaled $52.5 million for a net decrease of $10.2 million (16%) when compared to $62.7 million spent during the same period in 2024-25. Table 1 below presents budgetary expenditures by standard object.

Table 1

Material Variances to Expenditures by Standard Object (in thousands of dollars)	**Fiscal year 2025-26 Expended during the quarter ended September 30, 2025**	**Fiscal year 2024-25 Expended during the quarter ended September 30, 2024**	**Variance $**	**Variance %**
Personnel	47,539	47,544	(5)	(0%)
Transportation and communications	1,498	1,869	(371)	(20%)
Information	873	811	62	8%
Professional and special services	5,819	10,319	(4,500)	(44%)
Rentals	497	2,133	(1,636)	(77%)
Repair and maintenance	525	232	293	126%
Utilities, materials and supplies	187	162	25	15%
Acquisition of machinery and equipment	966	1,358	(392)	(29%)
Transfer payments	-	110	(110)	(100%)
Other subsidies and payments	33	467	(434)	(93%)
Total gross budgetary expenditures	**57,938**	**65,006**	**(7,067)**	**(11%)**
Less revenues netted against expenditures	(5,410)	(2,313)	(3,097)	134%
Total net budgetary expenditures *	**52,528**	**62,692**	**(10,165)**	**(16%)**

** Details may not add to totals due to rounding*

Professional and special services
The decrease of $4.5 million in professional and special services is mainly due to reduced spending on legal and other professional services for the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions, which completed its core mandate on February 11, 2025, as well as the timing of invoicing for other legal services.

Rentals
The decrease of $1.6 million in rentals is mainly due to the timing of invoicing for software licensing.

Repair and maintenance
The increase of $0.3 million in repair and maintenance is mainly due to increased office building repair and maintenance projects in 2025-26.

Transfer payments
The decrease of $0.1 million in transfer payments is mainly due to the conclusion of the core mandate of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions on February 11, 2025.

Other subsidies and payments
The decrease of $0.4 million in other subsidies and payments is mainly due to a decrease in expenditures related to claims against the crown.

Revenues netted against expenditures
The increase of $3.1 million in revenues netted against expenditures is due to the timing of collection of revenue, that was postponed in first quarter because of the delayed approval of the first appropriation act for 2025–26 (caused by the dissolution Parliament) which granted authority for departments to re-spend revenues. The postponement of revenue collection in the first quarter resulted in increased revenue collection in the second quarter.

2.3 Significant changes to year-to-date expenditures

The year-to-date expenditures totaled $108.5 million for a net decrease of $9.4 million (8%) when compared to $117.9 million spent during the same period in 2024-25. Table 2 below presents budgetary expenditures by standard object.

Table 2

Material Variances to Expenditures by Standard Object (in thousands of dollars)	**Fiscal year 2025-26 YTD Expenditures as of September 30, 2025**	**Fiscal year 2024-25 YTD Expenditures as of September 30, 2024**	**Variance $**	**Variance %**
Personnel	96,060	93,703	2,357	3%
Transportation and communications	2,962	3,581	(619)	(17%)
Information	1,270	1,973	(703)	(36%)
Professional and special services	8,879	16,046	(7,167)	(45%)
Rentals	1,567	4,083	(2,516)	(62%)
Repair and maintenance	680	319	361	113%
Utilities, materials and supplies	259	241	18	7%
Acquisition of machinery and equipment	1,871	2,301	(430)	(19%)
Transfer payments	-	389	(389)	(100%)
Other subsidies and payments	408	768	(360)	(47%)
Total gross budgetary expenditures	**113,956**	**123,403**	**(9,447)**	**(8%)**
Less revenues netted against expenditures	(5,410)	(5,464)	54	(1%)
Total net budgetary expenditures *	**108,545**	**117,938**	**(9,393)**	**(8%)**

** Details may not add to totals due to rounding*

Personnel:

The increase of $2.4 million in personnel spending is mainly due to transition-related costs following the 45th federal general election held on April 28, 2025.

Professional services and special services

The decrease of $7.2 million in professional and special services is mainly due to reduced spending on legal and other professional services for the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions, which completed its core mandate on February 11, 2025, as well as the timing of invoicing for other legal services.

Rentals:

The decrease of $2.5 million is mainly due to the timing of invoicing for software licensing.

Repair and maintenance

The increase of $0.4 million in repair and maintenance is mainly due to office building repair and maintenance projects in 2025-26.

Transfer payments

The decrease of $0.4 million in transfer payments is due to the conclusion of the core mandate of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions on February 11, 2025.

3. Risks and uncertainties

The principal financial risks to PCO lie in the need to reallocate departmental resources to deal with issues that may emerge unexpectedly. As part of its coordinating role, PCO must be able to address emerging issues on short notice, and either manage the necessary expenditures within its own spending authorities, or cash manage until increased spending authorities are approved.

PCO has identified other key risks that could have an impact on the achievement of its mandate and its financial situation. These risks revolve around areas such as threats to security (cybersecurity/insider/physical), information management, increasing horizontality, complexity and scope of work, and the recruitment and retention of employees.

The department will continue to effectively manage its existing and emerging risks through cooperation, engagement and sharing of expertise and best practices with other federal departments and agencies, provincial and territorial governments, as well as community partners, the private sector, international counterparts, and its Department Audit Committee.

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

Personnel

Michael Sabia was appointed Clerk of the Privy Council and Secretary to the Cabinet on July 7, 2025, following the retirement of his predecessor, John Hannaford, on June 11, 2025.

On August 29, 2025, Dawn Farrell was appointed as the Chief Executive Officer (CEO) of the Major Projects Office at PCO.

Effective September 2, 2025, Eric Costen, previously Associate Deputy Minister of Health, became Deputy Secretary to the Cabinet (Operations). Tushura Williams, who previously held this position, became Deputy Secretary to the Cabinet (Plans and Consultations).

Operations

Effective July 7, 2025, PCO’s AI Secretariat moved to the Innovation, Science and Economic Development (ISED) portfolio. The move follows the Prime Minister’s June 20, 2025, announcement that Mark Schaan, PCO Deputy Secretary to the Cabinet (Artificial Intelligence), would provide direct support to the Honourable Evan Solomon, Minister of Artificial Intelligence and Digital Innovation.

On August 29, 2025, the Prime Minister announced the creation of a new Major Projects Office to serve as a single point of contact to get nation-building projects built faster and build a stronger, more competitive, and prosperous economy for Canada. PCO’s Clean Growth Office has integrated into the Major Projects Office to provide direct support.

5. Approval by senior officials

Michael Sabia
Clerk of the Privy Council and Secretary to the Cabinet

Matthew Shea
Assistant Secretary to the Cabinet, Ministerial Services and Corporate Affairs and Chief Financial Officer

Ottawa, Canada
Friday November 28, 2025

6. Annexes A & B

ANNEX A

Privy Council Office
Quarterly Financial Report
For the quarter ended September 30, 2025

STATEMENT OF AUTHORITIES (unaudited) (note 2)

(In thousands of dollars)	Fiscal year 2025-2026			Fiscal year 2024-2025		
	Total available for use for the year ending March 31, 2026 (note 1)	Used during the quarter ended September 30, 2025	Year-to-date used at quarter-end	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
Vote 1 - Net operating expenditures	**261,015**	**46,347**	**96,187**	228,654	57,119	106,767
Budgetary statutory authorities						
Contributions to employee benefits plans	**24,329**	**6,082**	**12,165**	21,891	5,473	10,946
Prime Minister - Salary and motor car allowance	**213**	**53**	**88**	205	51	103
Leader of the Government in the House of Commons - Salary and motor car allowance	**34**	**25**	**34**	99	25	74
Leader of the Government in the House of Commons and Minister of Democratic Institutions - Salary and motor car allowance	**8**	-	**8**	-	-	-
President of the King's Privy Council for Canada and Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs, Internal Trade and One Canadian Economy - Salary and motor car allowance	**55**	**4**	**4**			
President of the King's Privy Council for Canada and Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy - Salary and motor car allowance	**35**	**22**	**35**	-	-	-
Minister of International Trade and Intergovernmental Affairs and President of the King's Privy Council for Canada - Salary and motor car allowance	**12** -	**0**	**12**	-	-	-
President of the King's Privy Council for Canada and the Minister of Emergency Preparedness and Minister responsible for the Pacific Economic Development Agency of Canada - Salary and motor car allowance	-	-	-	99	25	49
Chief Government Whip - Salary and motor car allowance	**12** -	**5**	**12**	-	-	-
Total budgetary authorities	**285,713**	**52,528**	**108,545**	250,947	62,692	117,938
TOTAL AUTHORITIES	**285,713**	**52,528**	**108,545**	250,947	62,692	117,938

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year (Including Frozen Allotments).
Note 2: Details may not add to totals due to rounding.

ANNEX B

Privy Council Office
Quarterly Financial Report
For the quarter ended September 30, 2025

Departmental budgetary expenditures by Standard Object (unaudited) (note 2)

(In thousands of dollars)	Fiscal year 2025-2026			Fiscal year 2024-2025		
	Planned expenditures for the year ending March 31, 2026 (note 1)	Expended during the quarter ended September 30, 2025	Year-to-date used at quarter-end	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
Budgetary expenditures						
Personnel	**195,778**	**47,539**	**96,060**	188,408	47,544	93,703
Transportation and communications	**6,704**	**1,498**	**2,962**	5,294	1,869	3,581
Information	**4,016**	**873**	**1,270**	5,226	811	1,973
Professional and special services	**71,987**	**5,819**	**8,879**	41,262	10,319	16,046
Rentals	**6,942**	**497**	**1,567**	5,731	2,133	4,083
Repair and maintenance	**1,696**	**525**	**680**	1,790	232	319
Utilities, materials and supplies	**986**	**187**	**259**	570	162	241
Acquisition of machinery and equipment	**5,552**	**966**	**1,871**	9,012	1,358	2,301
Transfer payments	**-**	**-**	**-**	2,248	110	389
Other subsidies and payments	**-**	**33**	**408**	34	467	768
Total gross budgetary expenditures	**293,661**	**57,938**	**113,956**	**259,576**	**65,006**	**123,403**
Less revenues netted against expenditures						
Revenues (note 3)	**(7,947)**	**(5,410)**	**(5,410)**	(8,628)	(2,313)	(5,464)
Total revenues netted against expenditures	**(7,947)**	**(5,410)**	**(5,410)**	(8,628)	(2,313)	(5,464)
TOTAL NET BUDGETARY EXPENDITURES	**285,713**	**52,528**	**108,545**	250,947	62,692	117,938

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year (Including Frozen Allotments).
Note 2: Details may not add to totals due to rounding.
Note 3: PCO's revenues are sourced from the provision of intelligence analysis training and the provision of internal support services to other departments.