



# Privy Council Office

## Quarterly Financial Report for the Quarter Ended December 31, 2025

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



Quarterly Financial Report for the quarter ended December 31, 2025.

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## 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) and (B). 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<sup>1</sup> that are part of the departmental results reporting process. The spending authorities voted by Parliament remain on an expenditure basis.

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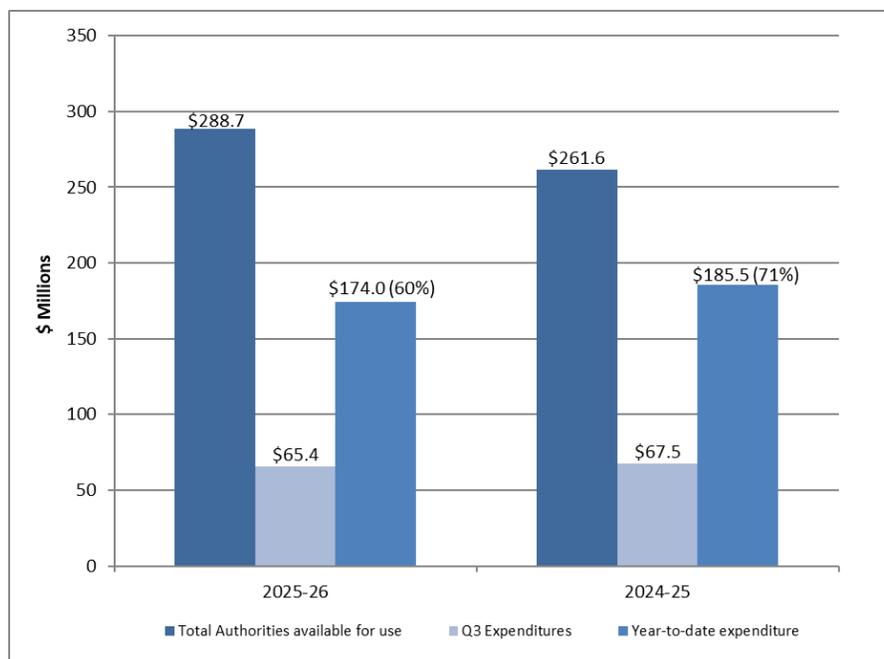
<sup>1</sup> The notes to the annual departmental financial statements include a reconciliation between full accrual results and spending authorities.

## 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 December 31, 2025.

PCO spent approximately 60% of its authorities available for use at the end of the third quarter of 2025-26, compared to 71% at the end of the same quarter of 2024-25 (see graph 1 below).

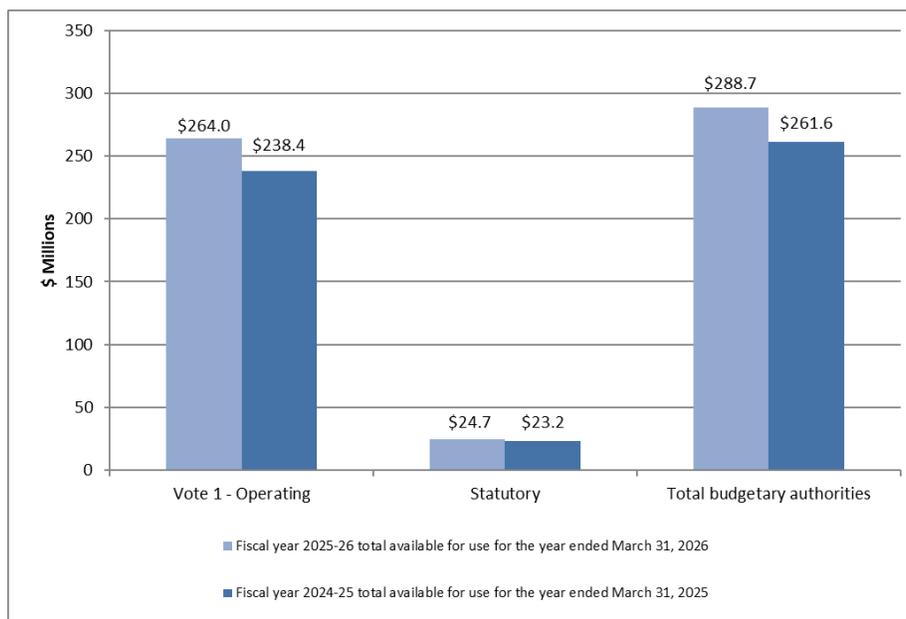
Graph 1: Comparison of Total Authorities Available for Use and Total Net Budgetary Expenditures as of Q3 2025-26 and 2024-25



### 2.1 Significant changes to authorities

Further to graph 2 below and Annex A, presented at the end of this document, as of December 31, 2025, PCO has authorities available for use of \$288.7 million in 2025-26 compared to \$261.6 million as of December 31, 2024, for a net increase of \$27.1 million or 10%. 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 continuation of the Choose Canada advertising campaign. This is partially offset by a decrease in funding stemming from the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25. Commissions of Inquiry are independent organizations but are reported under PCO's financial statements.

**Graph 2: Variance in Authorities as of December 31, 2025**



## 2.2 Significant changes to quarter expenditures

The third quarter expenditures totaled \$65.4 million for a net decrease of \$2.1 million (3%) when compared to \$67.5 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 December 31, 2025	Fiscal year 2024-25 Expended during the quarter ended December 31, 2024	Variance \$	Variance %
Personnel	47,987	48,270	(283)	(1%)
Transportation and communications	2,161	2,066	95	5%
Information	3,999	1,534	2,465	161%
Professional and special services	8,401	11,811	(3,410)	(29%)
Rentals	2,073	319	1,754	550%
Repair and maintenance	533	435	98	23%
Utilities, materials and supplies	189	184	5	3%
Acquisition of machinery and equipment	730	2,672	(1,942)	(73%)
Transfer payments	-	378	(378)	(100%)
Other subsidies and payments	42	21	21	100%
<b>Total gross budgetary expenditures</b>	<b>66,113</b>	<b>67,690</b>	<b>(1,577)</b>	<b>(2%)</b>
Less revenues netted against expenditures	(674)	(175)	(499)	285%
<b>Total net budgetary expenditures *</b>	<b>65,440</b>	<b>67,516</b>	<b>(2,076)</b>	<b>(3%)</b>

\* Details may not add to totals due to rounding

### Information

The increase of \$2.5 million in information is mainly due to increased spending on the Choose Canada advertising campaign. This increase was partially offset by reduced spending on communications stemming from the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

### Professional and special services

The decrease of \$3.4 million in professional and special services is mainly due to reduced spending on legal and other professional services stemming from the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25. This decrease was partially offset by higher spending in the third quarter of 2025-26 due to the timing of invoicing for other legal services.

### Rentals

The increase of \$1.8 million in rentals is mainly due to the timing of invoicing for software licensing.

### Acquisition of machinery and equipment

The decrease of \$1.9 million in acquisition of machinery and equipment is mainly due to a one-time purchase in 2024-25 of computer equipment for Secure Communications for National Leadership initiative.

### Transfer payments

The decrease of \$0.4 million in transfer payments is mainly due to the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

### Revenues netted against expenditures

The increase of \$0.5 million in revenues netted against expenditures is mainly due to the timing of when PCO collected funds compared to the same period last year. However, PCO expects overall annual revenues to be consistent.

## 2.3 Significant changes to year-to-date expenditures

The year-to-date expenditures totaled \$174.0 million for a net decrease of \$11.5 million (6%) when compared to \$185.5 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 December 31, 2025	Fiscal year 2024-25 YTD Expenditures as of December 31, 2024	Variance \$	Variance %
Personnel	144,046	141,972	2,074	1%
Transportation and communications	5,123	5,647	(524)	(9%)
Information	5,269	3,507	1,762	50%
Professional and special services	17,279	27,856	(10,577)	(38%)
Rentals	3,640	4,402	(762)	(17%)
Repair and maintenance	1,214	754	460	61%
Utilities, materials and supplies	449	425	24	6%
Acquisition of machinery and equipment	2,601	4,973	(2,372)	(48%)
Transfer payments	-	767	(767)	(100%)
Other subsidies and payments	449	789	(340)	(43%)
<b>Total gross budgetary expenditures</b>	<b>180,069</b>	<b>191,093</b>	<b>(11,024)</b>	<b>(6%)</b>
Less revenues netted against expenditures	(6,084)	(5,639)	(445)	8%
<b>Total net budgetary expenditures *</b>	<b>173,985</b>	<b>185,454</b>	<b>(11,469)</b>	<b>(6%)</b>

\* Details may not add to totals due to rounding

**Personnel:**

The increase of \$2.1 million in personnel spending is mainly due to transition-related costs following the 45<sup>th</sup> federal general election held on April 28, 2025. This increase was partially offset by reduced personnel costs due to the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

**Information**

The increase of \$1.8 million in information is mainly due to increased spending on the Choose Canada advertising campaign. This increase was partially offset by a reduced spending on communications stemming from the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

**Professional services and special services**

The decrease of \$10.6 million in professional and special services is mainly due to reduced spending on legal and other professional services stemming from the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

**Repair and maintenance**

The increase of \$0.5 million in repair and maintenance is mainly due to office building repair and maintenance projects in 2025-26.

**Acquisition of machinery and equipment**

The decrease of \$2.4 million in acquisition of machinery and equipment is mainly due to a one-time purchase in 2024-25 of computer equipment for Secure Communications for National Leadership initiative.

**Transfer payments**

The decrease of \$0.8 million in transfer payments is due to the conclusion of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions in 2024-25.

**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 (IT/cybersecurity/insider/physical), information management, increasing horizontality, complexity and scope of work.

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**

There have not been any significant changes in relation to personnel, operations, and programs during the quarter.

#### **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 February 27, 2026*

## 6. Annexes A & B

Privy Council Office  
 Quarterly Financial Report  
 For the quarter ended December 31, 2025  
 STATEMENT OF AUTHORITIES (unaudited) (note 2)

ANNEX A

*(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 December 31, 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 December 31, 2024	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	264,014	59,221	155,408	238,368	61,942	168,709
Budgetary statutory authorities						
Contributions to employee benefits plans	24,329	6,082	18,247	22,792	5,473	16,418
Prime Minister - Salary and motor car allowance	213	81	169	205	51	154
Leader of the Government in the House of Commons - Salary and motor car allowance	65	31	65	99	25	99
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	56	26	30	-	-	-
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	-	35	-	-	-
Minister of International Trade and Intergovernmental Affairs and President of the King's Privy Council for Canada - Salary and motor car allowance	12	-	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	74
Chief Government Whip - Salary and motor car allowance	12	-	12	-	-	-
<b>Total budgetary authorities</b>	<b>288,743</b>	<b>65,440</b>	<b>173,985</b>	<b>261,562</b>	<b>67,516</b>	<b>185,454</b>
<b>TOTAL AUTHORITIES</b>	<b>288,743</b>	<b>65,440</b>	<b>173,985</b>	<b>261,562</b>	<b>67,516</b>	<b>185,454</b>

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.

**Privy Council Office  
Quarterly Financial Report  
For the quarter ended December 31, 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 December 31, 2025	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2025 (note 1)	Expended during the quarter ended December 31, 2024	Year-to-date used at quarter-end
<b>Budgetary expenditures</b>						
Personnel	195,849	47,987	144,046	193,561	48,270	141,972
Transportation and communications	6,704	2,161	5,123	5,420	2,066	5,647
Information	7,016	3,999	5,269	5,226	1,534	3,507
Professional and special services	71,945	8,401	17,279	44,541	11,811	27,856
Rentals	6,942	2,073	3,640	6,691	319	4,402
Repair and maintenance	1,696	533	1,214	1,790	435	754
Utilities, materials and supplies	986	189	449	571	184	425
Acquisition of machinery and equipment	5,552	730	2,601	9,507	2,672	4,973
Transfer payments	-	-	-	2,248	378	767
Other subsidies and payments	-	42	449	34	21	789
<b>Total gross budgetary expenditures</b>	<b>296,690</b>	<b>66,113</b>	<b>180,069</b>	<b>270,190</b>	<b>67,690</b>	<b>191,093</b>
<b>Less revenues netted against expenditures</b>						
Revenues (note 3)	(7,947)	(674)	(6,084)	(8,628)	(175)	(5,639)
<b>Total revenues netted against expenditures</b>	<b>(7,947)</b>	<b>(674)</b>	<b>(6,084)</b>	<b>(8,628)</b>	<b>(175)</b>	<b>(5,639)</b>
<b>TOTAL NET BUDGETARY EXPENDITURES</b>	<b>288,743</b>	<b>65,440</b>	<b>173,985</b>	<b>261,562</b>	<b>67,516</b>	<b>185,454</b>

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.