



NATIONAL CAPITAL COMMISSION
COMMISSION DE LA CAPITALE NATIONALE

QUARTERLY FINANCIAL REPORT FOR THE NINE MONTHS

ENDED DECEMBER 31, 2025

Canada



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MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED DECEMBER 31st, 2025

The nine months ended December 31st, 2025, resulted in a surplus of \$25.6 million. This surplus results primarily from a timing difference between capital parliamentary appropriations received and amortization of tangible capital assets expenditures (\$31.4 million), from gain on disposal of tangible capital assets (\$7.8 million) and from higher than planned other revenues (\$3.5 million). These surpluses were partly offset by timing differences in the receipt of operating appropriations (\$17.0 million).

A. Year-Over-Year Results Analysis

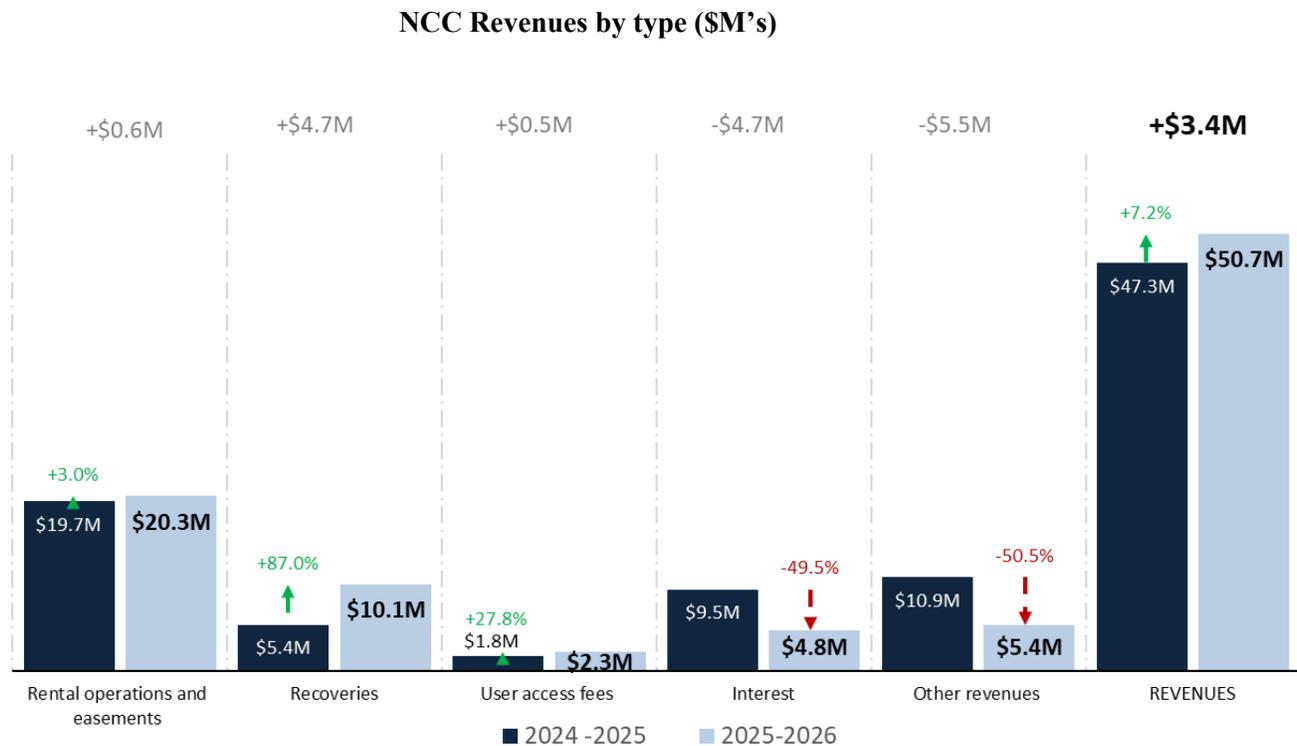
Revenues increased by \$3.4 million, or 7.2% compared to the same period in the previous year, mainly as a result of the following:

- Gain on disposal of tangible capital assets increased by \$7.8 million from \$0;
- Recoveries increased by \$4.7 million, or 87.0% to \$10.1 million;
- Rental operations and easements increased by \$0.6 million, or 3.0% to \$20.3 million; and
- User access fees increased by \$0.5 million, or 27.8% to \$2.3 million.

These increases were partly offset by:

- Interest revenue decreased by \$4.7 million, or 49.5% to \$4.8 million; and
- Other revenues decreased by \$5.5 million, or 50.5% to \$5.4 million.

The following chart shows revenue by type compared to the previous year:



Operating expenses increased by \$9.5 million, or 7.5%, compared to the same period in the previous year. The results by Program were as follows:

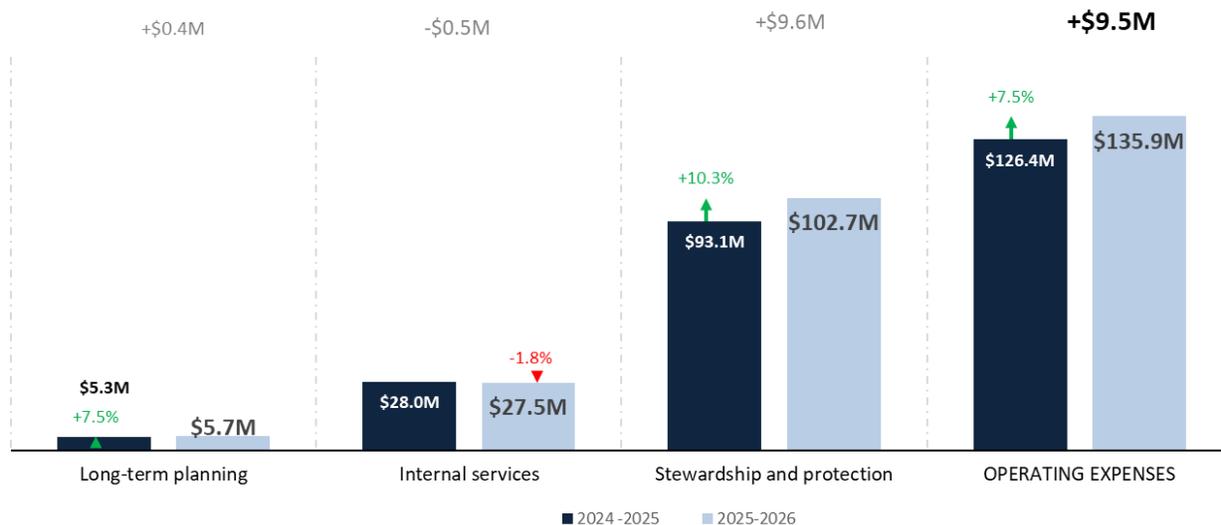
- Stewardship and protection increased by \$9.6 million, or 10.3%, to \$102.7 million; and
- Long-term planning increased by \$0.4 million, or 7.5% to \$5.7 million.

These increases were partly offset by:

- Internal services decreased by \$0.5 million, or 1.8%, to \$27.5 million.

The following chart shows expenses by category compared with the previous year:

NCC Expenses by category (\$M's)

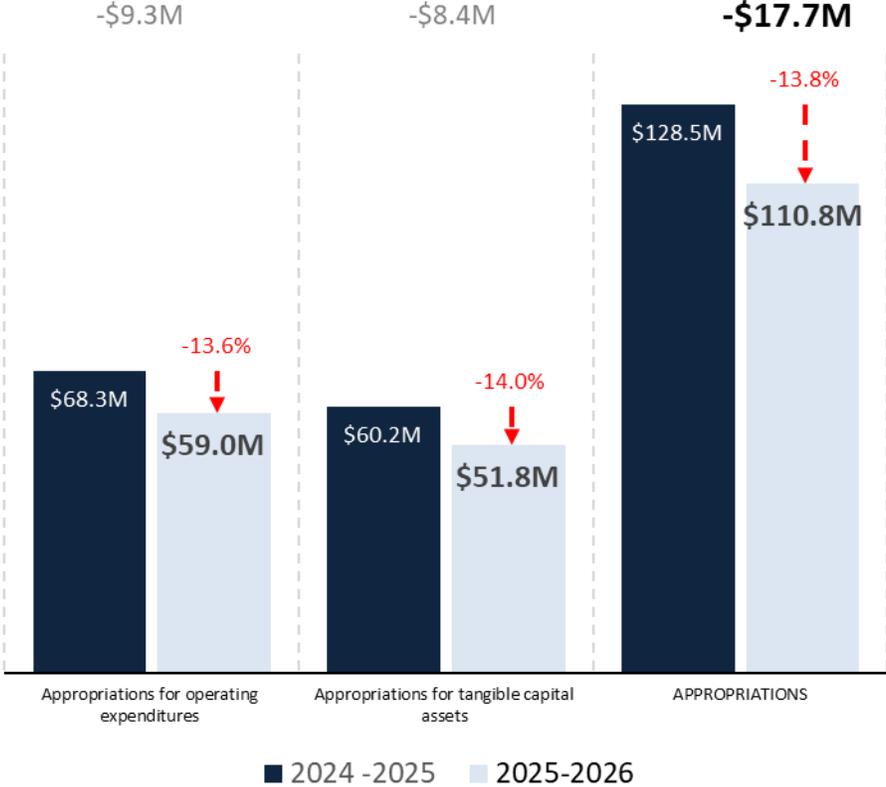


Funding from the Government of Canada through parliamentary appropriations decreased by \$17.7 million compared to the same period last year to \$110.8 million. The results by main categories of appropriations were as follows:

- Appropriations for capital expenditures decreased by \$8.4 million, or 14.0% to \$51.8 million; and
- Appropriations for operating expenditures decreased by \$9.3 million, or 13.6%, to \$59.0 million.

The following chart shows Appropriations by vote compared to the previous year:

NCC Appropriations by vote (\$M's)

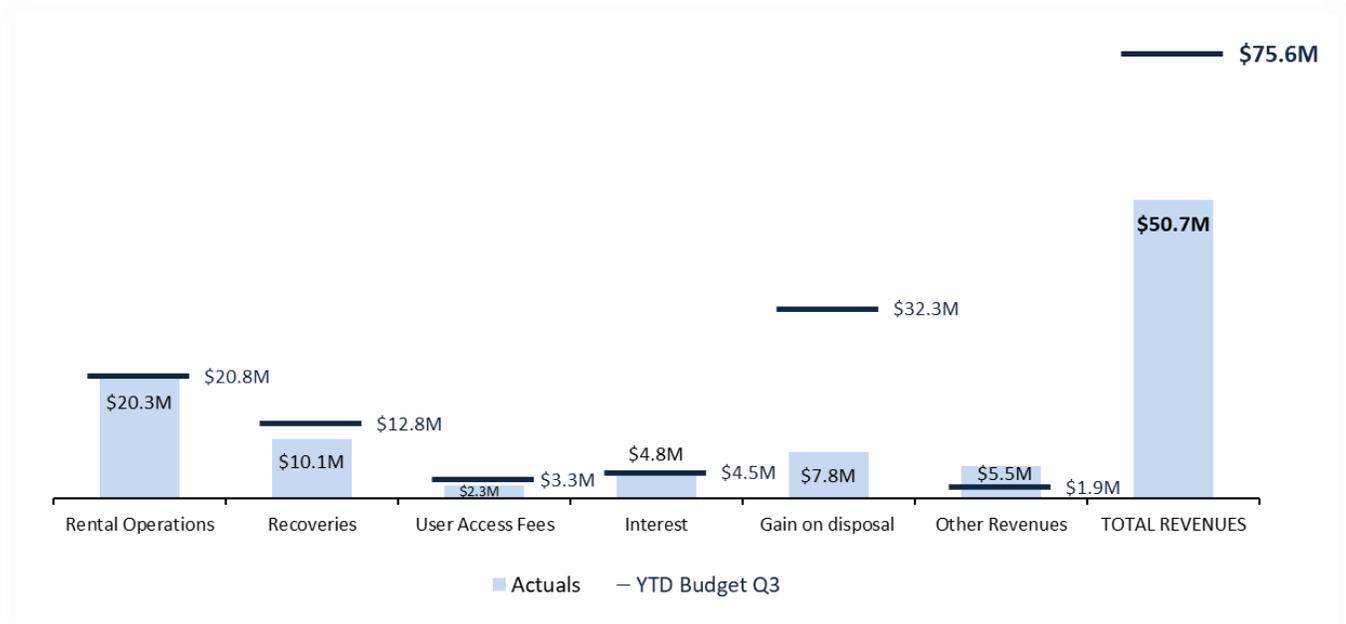


B. Budgetary Analysis

The budgeted revenue for the 2025–2026 fiscal year incorporates non-recurring items, including contributions and recoveries associated with the Interprovincial Bridges initiatives and commemorative activities. As of the end of the third quarter, \$21.7 million has been recognized, representing 35.4% of the annual allocation for non-recurring revenues.

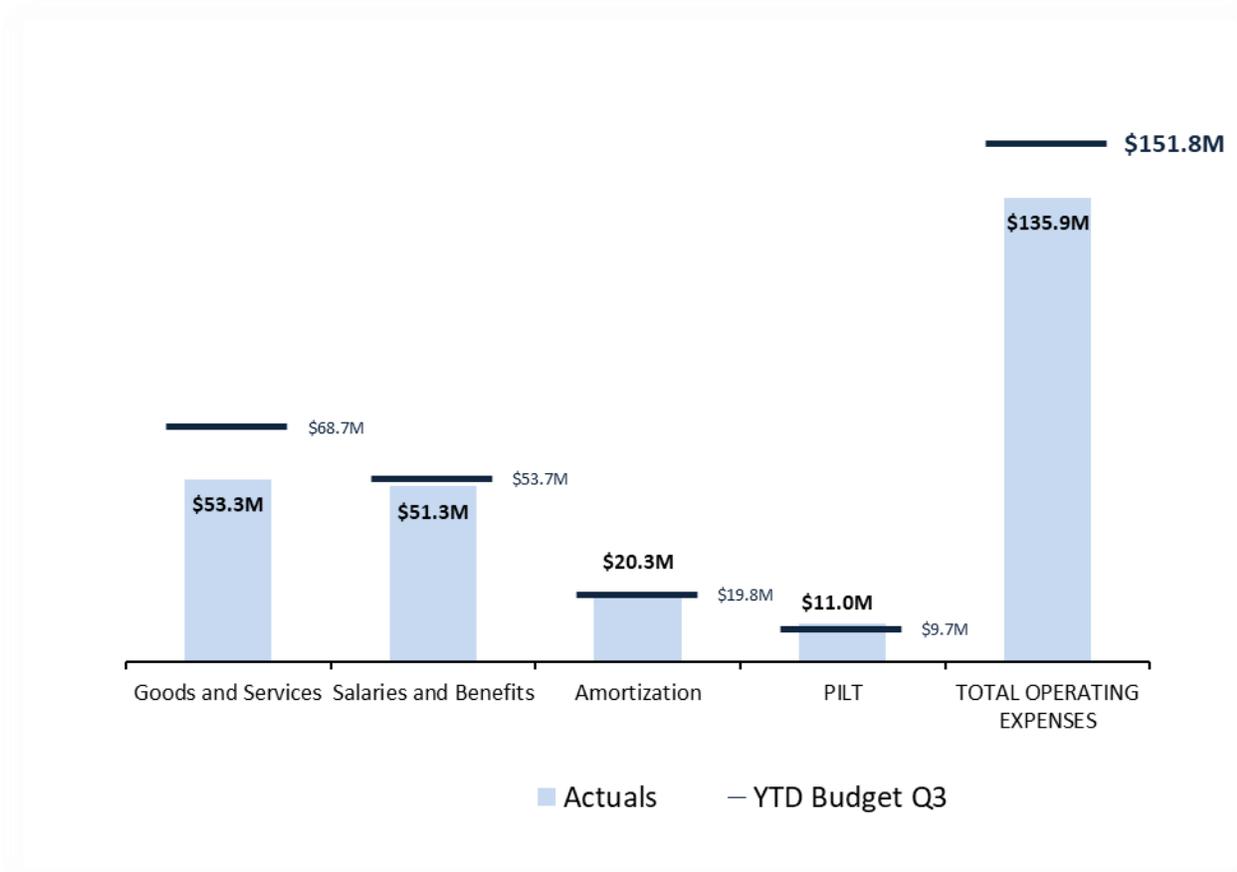
Total cumulative revenues as of December 31st were \$50.7 million, below the budgeted \$75.6 million. Interest revenues and other revenues are above budget, whereas rental operations and easements, recoveries, user access fees and gain on disposal of tangible capital assets are below the budget.

Revenues by type – Actuals vs YTD Budget Q3 (\$M's)



The following chart provides detailed cumulative operating expenses of \$135.9 million as of the third quarter compared to the budget of \$151.8 million. The variance compared to budget is due primarily to lower than planned Goods and Services (\$15.5 million), salary and benefits (\$2.4 million) offset in part by higher than planned payments in lieu of taxes (\$1.4 million) and amortization (\$0.6 million).

Operating expenses by object – Actuals Vs YTD Budget Q3 (\$M's)



C. Use of Parliamentary Appropriations

The NCC receives its funding from a number of sources: parliamentary appropriations, rental operations and easements, user access fees, cost recoveries, investment revenues, gains on disposal of tangible capital assets and other revenues. The NCC draws down its parliamentary appropriations according to cash flow projections provided to the Minister of Government Transformation, Public Works and Procurement. As the nature of expenditures are not constrained by funding source, direct matching of appropriations received and receivable to specific uses is not applicable.

The NCC recognized \$110.8 million, or 54.8% of its annual budget for appropriations for the period ended December 31st, 2025. Parliamentary appropriations drawdowns are based on forecasted cash flow expenditures. The following table illustrates the forecast of the parliamentary appropriations by vote.

NCC Parliamentary Appropriations by vote (\$000's)

Vote	Annual Budget	Gov't Apps Recognized	% Recognized	Approved Suppl. Estimates	Forecast to March 2026
Operational vote	97,012	57,699	59.5%	1,563	40,876
Deferred Appropriations	4,370	1,308	29.9%	-	3,062
<i>sub-total</i>	101,382	59,007	58.2%	1,563	43,938
Capital vote	100,253	42,010	41.9%	-	58,243
Deferred Appropriations	572	9,740	1702.8%	-	250
<i>sub-total</i>	100,825	51,750	51.3%	-	58,493
Total	202,207	110,757	54.8%	1,563	102,431

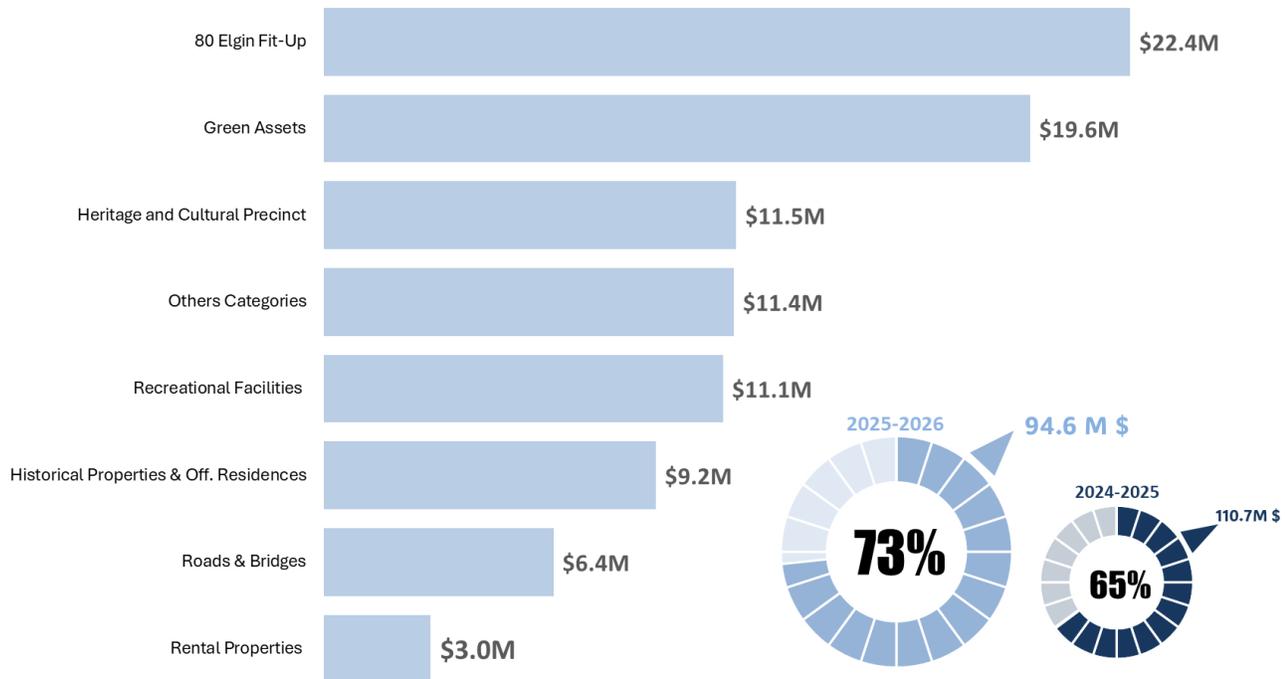
Additional details on the parliamentary appropriations can be found in the NCC's Quarterly Financial Statements of December 31st, 2025 (see note 8 of Quarterly Financial Statements).

D. Capital Expenditure

Investments by main categories of capital expenditures were as follows:

For the nine months ended December 31, 2025 (\$000's)	Actuals
Roads & Bridges Gatineau Parkway, Wakefield Bridge	6,382
Historical Properties Official Residences, Clarendon Courtyard	9,231
Rental Properties	2,970
Development Properties LeBreton Flats redevelopment	1,706
Heritage and Cultural Precinct	11,458
Green Assets Rideau Canal Lighting System, Rockcliffe Pavilion, Colonel By Wall (Phase 2), East Wharf	19,628
Recreational Facilities Philippe Lake Campground	11,089
Equipment	610
Property Acquisition (including Green Fund)	1,788
80 Elgin Fit Up	22,408
Other Salaries	7,287
2025-2026 Q3 Total Actuals	94,557
2024-2025 Q3 Total Actuals	110,686
Variance	(16,129)
Budget 2025-2026	128,973
% Budget	73%
% Actuals + Commitments (funded from annual budget and carry-overs)	113%

Investments by main categories of capital expenditures (\$M's)



E. Statement of Financial Position Summary

As of December 31st, 2025, financial assets totaled \$197.5 million, representing a decrease of \$24.3 million, or 11.0%, from \$221.8 million as of March 31, 2025. This decrease was primarily driven by a \$19.8 million reduction in investments, a \$16.3 million reduction in cash and cash equivalents, partially offset by increases of \$6.6 million in loans receivable, \$2.9 million in accounts receivable and \$2.3 million in restricted cash and cash equivalents.

Liabilities totalled \$248.6 million as of December 31st, 2025, an increase of \$47.0 million or 23.3% from \$201.6 million as of March 31, 2025. This increase is attributable primarily to an increase of \$25.7 million in provision for environmental remediation, \$14.0 million in deferred revenues, \$6.4 million in accounts payable and accrued liabilities, \$1.6 million in other liabilities, partly offset by a decrease of \$0.6 million in employee future benefits.

Non-financial assets totalled \$1,144.7 million as of December 31st, 2025, an increase of \$96.9 million or 9.2% from \$1,047.8 million as of March 31, 2025, reflecting mostly increases in tangible capital assets net of amortization as a result of advancement of capital projects funded primarily from Budget 2020 and Fall Economic Statement 2022.

F. Risks and Mitigation Strategies

The NCC uses an integrated risk management framework to identify, manage and mitigate its risks, and applies this framework in strategic decision making, operational planning, and project management. Enterprise risk management is integrated into the NCC's planning and reporting cycle through a risk profile exercise, which helps to identify the key corporate risks and corresponding mitigation measures for the planning period. These key corporate and operational risks are monitored and revisited throughout the year, and their trends, as well as the effectiveness of mitigation measures, are reported to the board of directors each quarter.

On an ongoing basis, the corporation identifies opportunities to enhance its risk management framework and leverage more comprehensive risk information for decision-making, in order to take appropriate actions to implement necessary mitigation strategies and maintain resilience.

Key Risks and Mitigation Measures

As of December 31st, 2025, the NCC has identified three key corporate risks that exceed its risk tolerance:

1. Asset Management: Since 2018-2019, the NCC has made significant capital investments to address critical requirements and address the deteriorating condition of its assets, supported by funding provided by the Government of Canada, striving to overcome the impacts of preceding decades of underinvestment. Concurrently, the corporation is implementing measures continuously to improve its processes, systems, and practices in asset management and investment planning. There is a risk that a lack of consistent integration of portfolio planning, resource allocation, and project delivery may limit the NCC's ability to effectively manage risks tied to asset deterioration and to advocate for funding increases.

To mitigate this risk, the NCC will continue to work on assets in need of critical repairs, revitalize and restore them to good condition in accordance with additional appropriations, including measures to augment their resilience to climate change and extreme weather events.

The NCC will leverage new funding to implement an Investment Planning Program that integrates long-term asset management, continue to implement a cyclical asset condition inspection program, continue to maintain data through the lifecycle of an asset, as well as solidify requirements for asset prioritization based on portfolio planning.

The NCC will plan and implement the replacement of the integrated financial and asset management systems to support end users. The Corporation will also establish and implement approaches to mitigate key market factors that drive escalating project costs, including market volatility, labour shortages and trade availability, to ensure overall program costs remain within the limits of existing allocated and earmarked funding.

The NCC will capitalize on repatriation of the commercial real estate portfolio as an opportunity to further integrate portfolio planning, resource allocation, and project delivery across the NCC's inventory of assets. The corporation will continue asset management efforts through the implementation of the accounting standard for the Asset Retirement Obligations Program.

2. Authorities: The NCC's legislated authorities have remained largely unchanged since the corporation's inception in 1959. Shortcomings within these authorities present challenges for the NCC in its efforts to

conserve and protect built and natural assets, and to conduct real property transactions in modern terms, in support of its mandate. There is a risk that the corporation's limited legislated authorities may inhibit the delivery of the NCC's mandate and its capacity to influence external actors.

To mitigate this risk, the NCC intends to continue to work with and support government partners in bringing forward solutions to increase the NCC's legislative and regulatory authorities. The corporation will exercise existing authorities to effectively deliver the corporation's mandate within the current legislative framework and in support of government directives.

3. Climate Change: The impact of climate change and related weather events on built and natural assets, operations and programs, and financial and non-financial resources may inhibit the NCC's ability to deliver its mandate.

To mitigate this risk, the NCC delivers on the NCC's Climate Adaptation Plan and develop an Emergency Preparedness Plan to ensure a state of readiness in response to severe weather events. The NCC will also complete the assessment of the Climate-related Financial Risks Disclosure framework; develop and implement a plan to prioritize key actions to integrate climate related risks and opportunities into strategic planning and decision making. Finally, the NCC will assess and determine climate risks and opportunities for projects and operations to support informed and efficient capital investments.

G. Significant Changes Related to Operations, Personnel and Programs

No other significant changes with regard to NCC operations, personnel or programs occurred during the three-month period ended December 31st, 2025.

Unaudited Financial Statements

For the nine months ended December 31, 2025

Statement of Management Responsibility

Management is responsible for the preparation and fair presentation of these quarterly financial statements in accordance with the Treasury Board of Canada's Directive on Accounting Standards: GC 5200 Crown Corporations Quarterly Financial Reports, and for such internal controls as management determines is necessary to enable the preparation of quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring that all other information contained in the quarterly financial report is consistent, where appropriate, with the quarterly financial statements.

Based on our knowledge, these unaudited quarterly financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the corporation as at the date of, and for the periods presented in, the quarterly financial statements.



Tobi Nussbaum
Chief Executive Officer



Tania Kingsberry, CPA, CA
Vice-President Corporate Services and
Chief Financial Officer

Ottawa, Canada
February 24, 2026

NATIONAL CAPITAL COMMISSION
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
(in thousands of dollars)

	December 31, 2025	March 31, 2025
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	142,260	158,557
Restricted cash and cash equivalents (Note 4)	15,015	12,701
Accounts receivable	22,206	19,251
Loans receivable	6,808	339
Investments (Note 3)	11,201	30,992
	197,490	221,840
LIABILITIES		
Accounts payable and accrued liabilities	44,961	38,553
Provision for environmental remediation	99,663	74,000
Asset retirement obligations	29,184	29,184
Deferred revenues (Note 5)	49,036	35,046
Employee future benefits	9,797	10,402
Other liabilities	15,968	14,415
	248,609	201,600
NET FINANCIAL ASSETS (NET DEBT)	(51,119)	20,240
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 6)	1,139,171	1,039,685
Prepaid expenses	1,318	3,878
Other non-financial assets	4,220	4,220
	1,144,709	1,047,783
ACCUMULATED SURPLUS	1,093,590	1,068,023

The notes are an integral part of the financial statements.

Approved by the Board of Directors



Maryse Gaudreault
Chair, Board of Directors



Tanya Gracie
Chair, Audit Committee

NATIONAL CAPITAL COMMISSION
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (UNAUDITED)

For the nine months ended December 31 (in thousands of dollars)

	2025-2026 Annual Budget (Note 2)	Three months ended December 31		Nine months ended December 31	
		2025 Actual	2024 Actual	2025 Actual	2024 Actual
REVENUES					
Rental operations and easements	27,715	7,394	7,930	20,266	19,718
Recoveries	17,007	4,212	2,013	10,062	5,425
User access fees	4,426	559	503	2,294	1,794
Interest	5,991	1,214	2,699	4,755	9,450
Gain on disposal of tangible capital assets	43,050	7,754	-	7,838	1
Other revenues	2,581	2,426	5,523	5,455	10,878
	100,770	23,559	18,668	50,670	47,266
EXPENSES (Note 7)					
Long-term planning	17,946	1,845	1,756	5,755	5,356
Stewardship and protection	142,626	35,817	33,227	102,653	93,086
Internal services	41,890	9,205	9,880	27,452	27,989
	202,462	46,867	44,863	135,860	126,431
Deficit before funding from the Government of Canada	(101,692)	(23,308)	(26,195)	(85,190)	(79,165)
Funding from the Government of Canada					
Parliamentary appropriations for operating expenditures (Note 8)	101,382	24,837	25,997	59,007	68,318
Parliamentary appropriations for tangible capital assets (Note 8)	100,825	22,428	43,866	51,750	60,178
	202,207	47,265	69,863	110,757	128,496
Surplus for the period	100,515	23,957	43,668	25,567	49,331
Accumulated surplus at beginning of the period	1,087,512	1,069,633	1,019,681	1,068,023	1,014,018
Accumulated surplus at end of the period	1,188,027	1,093,590	1,063,349	1,093,590	1,063,349

The notes are an integral part of the financial statements.

NATIONAL CAPITAL COMMISSION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT) (UNAUDITED)
For the nine months ended December 31 (in thousands of dollars)

	2025-2026 Annual budget (Note 2)	2025 Actual	2024 Actual
Surplus for the period	100,515	25,567	49,331
Acquisition and improvements of tangible capital assets (Note 6)	(116,275)	(120,011)	(111,089)
Amortization of tangible capital assets (Note 6)	26,346	20,326	17,704
Gain on disposal of tangible capital assets	(43,050)	(7,838)	(1)
Loss on disposal of tangible capital assets	-	-	18
Proceeds from disposal of tangible capital assets	61,500	8,037	1
	(71,479)	(99,486)	(93,367)
Change in prepaid expenses	-	2,560	2,292
Change in other non-financial assets	-	-	50
	-	2,560	2,342
Decrease in net financial assets	29,036	(71,359)	(41,694)
Net financial assets at beginning of the period	(1,311)	20,240	79,492
Net financial assets (net debt) at end of the period	27,725	(51,119)	37,798

The notes are an integral part of the financial statements.

NATIONAL CAPITAL COMMISSION
STATEMENT OF CASH FLOWS (UNAUDITED)
For the nine months ended December 31 (in thousands of dollars)

	2025	2024
OPERATING ACTIVITIES		
Cash receipts from parliamentary appropriations		
for operating expenditures	77,345	57,839
Cash receipts from rental operations and easements	19,180	18,281
Cash receipts from recoveries, user access fees and other revenues	12,957	9,535
Cash paid to suppliers	(64,536)	(57,502)
Cash paid to employees	(52,897)	(55,846)
Granting of loans receivable	(6,498)	-
Cash receipts from repayments of loans receivable	28	18
Interest received	6,714	8,297
Disbursements related to the management and remediation of sites	(260)	(419)
Cash flows used by operating activities	(7,967)	(19,797)
CAPITAL ACTIVITIES		
Cash receipts from parliamentary appropriations		
for tangible capital assets	48,049	25,313
Acquisition and improvements of tangible capital assets	(81,992)	(93,918)
Proceeds from disposal of tangible capital assets	8,038	1
Cash receipts for future disposal of a land	1,760	129
Disbursements for environmental remediation	(1,745)	(425)
Cash flows used by capital activities	(25,890)	(68,900)
INVESTING ACTIVITIES		
Cash receipts for Chambers Building Fund	193	1,342
Disbursements for investments purchased	(1,300)	(873)
Cash receipts from investment sold	20,981	30,563
Cash flows provided by investing activities	19,874	31,032
Decrease in cash and cash equivalents	(13,983)	(57,665)
Cash and cash equivalents at beginning of the period	171,258	171,363
Cash and cash equivalents at end of the period	157,275	113,698
Represented by:		
Cash and cash equivalents	142,260	99,944
Restricted cash and cash equivalents	15,015	13,754
	157,275	113,698

The notes are an integral part of the financial statements.

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

1. Authority and Objectives

The National Capital Commission (NCC) was established in 1959 by the *National Capital Act* (1958) as an agent Crown corporation without share capital, named in Part I of Schedule III of the *Financial Administration Act*, and is not subject to the requirements of the *Income Tax Act*. The objects and purposes of the NCC, as stated in the amended *National Capital Act* (2013) are to prepare plans for and assist in the development, conservation and improvement of the National Capital Region in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance.

The NCC is also responsible for the management and maintenance of the tangible capital assets of the official residences located in the National Capital Region. The NCC encourage Canadians to participate in the enhancement of the state areas of the official residences through public donations of furnishings, paintings and works of art, or the funds to purchase them. Pieces are selected to reflect Canada's heritage, artistic traditions and historical associations, or to complement the architectural style of a particular residence.

In July 2015, the corporation was issued a directive (P.C. 2015-1106) pursuant to Section 89 of the *Financial Administration Act* to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies. The NCC has met the requirements of the directive since 2015-2016.

2. Significant Accounting Policies

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Canadian public sector accounting standards (PSAS) established by the Public Sector Accounting Board (PSAB).

These quarterly financial statements should be read in conjunction with the annual audited financial statements dated March 31, 2025, which detail the applicable accounting policies.

The same accounting policies and methods of computation are followed in the quarterly financial statements as compared with the most recent annual financial statements.

Measurement Uncertainty

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported values of financial assets, liabilities and non-financial assets at the date of the financial statements, and the reported amounts of revenues and expenses for the reporting period. Estimated useful lives of tangible capital assets, provision for environmental remediation, asset retirement obligations, employee future benefits, write-downs of tangible capital assets, the recognition of contingent liabilities, are the most significant items for which estimates are used.

Actual results could differ materially from those management's best estimates.

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

Budget Figures

The 2025-2026 budget figures, as presented in the *2025-2026 to 2029-2030 Corporate Plan*, are included, as appropriate, in the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets (Net debt).

3. Cash and Cash Equivalents and Investments

A. CASH AND CASH EQUIVALENTS

As at December 31, 2025, cash and cash equivalents include \$142.3 million (\$158.6 million as at March 31, 2025) in cash, invested at a weighted average interest rate of 3.2% (4.7% as at March 31, 2025).

B. INVESTMENTS

As of December 31, 2025, the investment portfolio includes bonds of provincial governments and guaranteed investment certificates, totalling \$11.2 million (\$31.0 million as of March 31, 2025) invested at a weighted average interest rate of 3.0% (4.9% as at March 31, 2025).

	December 31, 2025		March 31, 2025	
	Amortized Cost	Quoted Market Value	Amortized Cost	Quoted Market Value
Provincial governments	11,201	11,312	10,992	10,974
Guaranteed investment certificates	-	-	20,000	20,000
	11,201	11,312	30,992	30,974

C. DESIGNATED FUNDS

As at December 31, 2025, cash and cash equivalents include \$67.3 million (\$76.2 million as at March 31, 2025) in designated funds whose use is internally designated and limited for the sole purpose for which they have been segregated.

4. Restricted Cash and Cash Equivalents

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

The restricted cash and cash equivalents are composed of the following:

	December 31, 2025	March 31, 2025
Chambers Building Fund	8,612	8,419
Deposit for future disposal of a land	4,585	2,493
Light Rail Transit	1,818	1,789
	15,015	12,701

Chambers Building Fund

As set out in the ground lease for 40 Elgin Street (Chambers Building), this fund administered by the NCC comes from contributions from the former tenant and is intended to fund future capital improvements for this building. A related liability is recorded in the Statement of Financial Position.

5. Deferred Revenues

Deferred revenues are composed of the following:

	December 31, 2025	March 31, 2025
Deferred rental revenues	8,328	8,356
Deferred license of occupation revenues	926	1,302
Parliamentary appropriations for various initiatives	11,788	1,320
PSPC contribution to the construction of the new head office	1,139	10,879
Contribution from the City of Ottawa for the development of the south shore riverfront park	845	1,476
Other deferred revenues	26,010	11,713
	49,036	35,046

The deferred rental revenues are primarily the present value of the minimum future lease payments that the NCC has collected under four different land lease agreements. The present value for the current agreements was determined using discount rates of 4.0%, 4.27%, 6.01% and 6.5%. These deferred rental revenues will be recognized as income over the term of the lease agreements, which have different termination dates extending to 2075. During the period, \$0.3 million (\$0.3 million as at December 31, 2024) of deferred rental revenue was recognized as income.

Public Services and Procurement Canada's (PSPC) contribution of \$1.1 million (\$10.9 million as at March 31, 2025) is for renovations to the new NCC head office which should be completed by 2026-2027, and the contribution from the City of Ottawa of \$0.8 million (\$1.5 million as at March 31, 2025) is for the development of the south shore riverfront park in connection with the light rail transit project and is recognized based on the completion of the work which are expected to be completed by 2029-2030.

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

Other deferred revenues consist mainly of parliamentary appropriations received in advance of \$13.0 million (none as at March 31, 2025) for the next period, a contribution by Veterans Affairs Canada of \$3.4 million (\$3.6 million as at March 31, 2025) for the construction of a commemoration which is expected to be completed by 2028-2029, a contribution by Global Affairs Canada of \$2.8 million (\$3.7 million as at March 31, 2025) for the construction of a commemoration which is expected to be completed by 2026-2027, as well as a contribution from Canadian Heritage of \$1.1 million (\$1.2 million as at March 31, 2025) for the construction of a commemoration which is expected to be completed by the end of 2025-2026.

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

6. Tangible Capital Assets

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Opening Balance	Acquisitions/ Adjustments	Disposals	Closing Balance	Opening Balance	Amortization expense	Disposals / Adjustments	Closing Balance	December 31, 2025	March 31, 2025
Land ¹	388,964	28,633	199	417,398	-	-	-	-	417,398	388,964
Buildings and Infrastructure ²	1,191,356	90,242	39	1,281,559	548,077	19,585	39	567,623	713,936	643,279
Leasehold improvements	15,360	-	-	15,360	13,072	197	-	13,269	2,091	2,288
Equipment ²	25,643	1,136	22	26,757	20,489	544	22	21,011	5,746	5,154
	1,621,323	120,011	260	1,741,074	581,638	20,326	61	601,903	1,139,171	1,039,685

1. The land cost includes \$0.2 million (\$0.2 million as at March 31, 2025) of unsettled expropriation.

2. The total cost of buildings and infrastructure, and equipment include \$164.1 million (\$123.3 million as at March 31, 2025) of construction in progress. When completed, the cost of these projects will be amortized on the basis on their estimated useful life.

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended December 31, 2025 (in thousands of dollars, unless otherwise specified)

7. Expenses by Object

The following provides a summary of expenses by object.

	2025-2026 Annual Budget (Note 2)	Three months ended December 31		Nine months ended December 31	
		2025 Actual	2024 Actual	2025 Actual	2024 Actual
Goods and services	91,662	19,434	19,065	53,266	47,270
Salaries and employee benefits	71,583	16,314	15,996	51,251	50,878
Amortization	26,346	7,212	6,556	20,326	17,704
Payments in lieu of municipal taxes	12,871	3,907	3,246	11,017	10,561
Loss on disposal of tangible capital assets	-	-	-	-	18
	202,462	46,867	44,863	135,860	126,431

For the period ended December 31, 2025, the value of antiques, works of art and monuments, acquired or built by the NCC totalled \$6.1 million (\$2.0 million as at December 31, 2024). These are recorded as expenses in "Goods and services".

8. Parliamentary Appropriations

	Three months ended December 31		Nine months ended December 31	
	2025	2024	2025	2024
Parliamentary appropriations for operating expenditures¹				
Amount received during the period	28,549	9,773	77,345	57,839
Amount received from previous year	-	-	(1,184)	(1,331)
Amount to be received at the end of the period	-	19,715	-	19,715
Amount deferred to the next period	(4,101)	(3,673)	(18,462)	(8,410)
Amount deferred from previous year	389	182	1,308	505
	24,837	25,997	59,007	68,318
Parliamentary appropriations for tangible capital assets²				
Amount received during the period	20,749	9,748	48,049	25,313
Amount to be received at the end of the period	-	35,152	-	35,152
Amount deferred to the next period	1,679	(5,089)	(6,039)	(7,652)
Amount deferred from previous year	-	4,055	9,740	7,365
	22,428	43,866	51,750	60,178
Parliamentary appropriations approved and recorded during the period	47,265	69,863	110,757	128,496

1. As at December 31, 2025 and 2024, the amounts approved for the years ending March 31, 2026 and 2025 totalled \$96.1 million and \$89.2 million, respectively.

2. As at December 31, 2025 and 2024, the amounts approved for the years ending March 31, 2026 and 2025 totalled \$83.8 million and \$60.5 million, respectively.

9. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.