



# RCMP External Review Committee Future-oriented Statement of Operations 2023-24

## Future-Oriented Statement of Operations (unaudited) for the year ending March 31 (in dollars)

	Forecast results 2022-23	Planned results 2023-24
<b>Expenses</b>		
Appeal Case Review	\$6,839,078	\$6,815,639
<b>Total expenses</b>	<b>\$6,839,078</b>	<b>\$6,815,639</b>
<b>Revenues</b>		
Miscellaneous revenues	0	0
Revenues earned on behalf of government	(0)	(0)
<b>Total revenues</b>	<b>-</b>	<b>-</b>

<b>Net cost of operations before government funding and transfers</b>	<b>\$6,839,078</b>	<b>\$6,815,639</b>
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The accompanying notes form an integral part of the Future-Oriented Statement of Operations.

## **1. Methodology and significant assumptions**

The Future-Oriented Statement of Operations has been prepared on the basis of government priorities and departmental plans as described in the Departmental Plan.

The information in the forecast results for fiscal year 2022–23 is based on actual results as at December 14<sup>th</sup>, 2022 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the 2023-24 fiscal year.

The main assumptions underlying the forecasts are as follows:

- The committee’s activities will remain substantially the same as for the previous year;
- Expenses and revenues, including the determination of amounts internal and external to the government, are based on historical experience. The general historical pattern is expected to continue.

These assumptions are made as at December 14<sup>th</sup>, 2022.

## 2. Variations and changes to the forecast financial information

Although every attempt has been made to forecast final results for the remainder of 2022–23 and for 2023–24, actual results achieved for both years are likely to differ from the forecast information presented, and this variation could be material.

In preparing this Future-Oriented Statement of Operations, the RCMP External Review Committee has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

Factors that could lead to material differences between the Future-Oriented Statement of Operations and the historical statement of operations include:

- the timing and the amount of acquisitions and disposals of property, plant and equipment may affect gains/losses and amortization expense;
- the implementation of new collective agreements; and
- other changes to the operating budget, such as new initiatives or technical adjustments later in the fiscal year.

After the Departmental Plan is tabled in Parliament, the RCMP External Review Committee will not be updating the forecasts for any changes in financial resources made in ensuing supplementary estimates. Variances will be explained in the Departmental Results Report.

### **3. Summary of significant accounting policies**

The Future-Oriented Statement of Operations has been prepared using the Government of Canada's accounting policies in effect for fiscal year 2022–23, and is based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

#### **a) Expenses**

The committee records expenses on an accrual basis.

Other expenses are generally recorded when goods are received or services are rendered and include expenses related to personnel, professional and special services, repair and maintenance, utilities, materials and supplies, as well as amortization of tangible capital assets. Provisions to reflect changes in the value of assets or liabilities, such as provisions for bad debts, loans, investments and advances and inventory obsolescence, as well as utilization of inventories and prepaid expenses, and other are also included in other expenses.

#### **b) Revenues**

Revenues from regulatory fees are recognized in the accounts based on the services provided in the year.

Funds received from external parties for specified purposes are recorded upon receipt as deferred revenue. These revenues are recognized in the period in which the related expenses are incurred.

Other revenues are recognized in the period the event giving rise to the revenues occurred. Revenues that are non-respendable are not available to discharge the president’s liabilities. Although the deputy head is expected to maintain accounting control, he or she has no authority over the disposition of non-respendable revenues. As a result, non respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented as a reduction of the department’s gross revenues.

## 4. Parliamentary authorities

The committee is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the committee differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, the committee has different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

### a) Reconciliation of net cost of operations to requested authorities (in dollars)

	<b>Forecast results 2022-23</b>	<b>Planned results 2023-24</b>
<b>Net cost of operations before government funding and transfers</b>	<b>\$6,839,078</b>	<b>\$6,815,639</b>

<b>Adjustment for items affecting net cost of operations but not affecting authorities:</b>		
Decrease (increase) in employee future benefits	11,026	(124)
Services provided without charge by other government departments	(458,886)	(344,164)
Decrease (increase) in vacation pay and compensatory leave	90,312	(28,844)
Adjustments to previous years' payables at year-end	6,064	3,597
Refund of prior years' expenditures	2,484	3,049
Total items affecting net cost of operations but not affecting authorities	(349,000)	(366,486)
<b>Adjustment for items not affecting net cost of operations but affecting authorities:</b>		
Increase in salary overpayments	11,966	8,887
Increase in other loans and advances to employees	-	-
Total items not affecting net cost of operations but affecting authorities	11,966	8,887
<b>Requested authorities</b>	<b>\$6,502,044</b>	<b>\$6,458,040</b>

**b) Authorities requested (in dollars)**

	<b>Forecast results 2022-23</b>	<b>Planned results 2023-24</b>
<b>Authorities requested</b>		
Vote 1: operating expenditures	\$5,852,431	\$5,814,820
Statutory amounts	649,613	643,220
<b>Total authorities requested</b>	<b>\$6,502,044</b>	<b>\$6,458,040</b>

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