



Future-Oriented Statement of Operations 2026-27

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

(in dollars)

	Forecast results 2025-26	Planned results 2026-27
Expenses		
Independent review of RCMP employment matters	4,317,397	4,946,632
Internal Services	1,864,576	2,434,952
Total expenses	6,181,973	7,381,584
Revenues		
Miscellaneous revenues	0	0
Revenues earned on behalf of government	(0)	(0)
Total revenues	-	-

Net cost of operations before government funding and transfers	6,181,973	7,381,584
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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 2025-26 is based on actual results as at December 12th, 2025 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the 2026-27 fiscal year.

The main assumptions underlying the forecasts are as follows:

- The RCMP External Review Committee (ERC)'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 12th, 2025.

2. Variations and changes to the forecast financial information

Although every attempt has been made to forecast final results for the remainder of 2025-26 and for 2026-27, 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 ERC 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 ERC 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 2025–26, 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 ERC 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 without performance obligations are recognized when there is authority to claim inflows of economic resources and the past transaction or event has occurred.

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.

Deferred revenue consists of amounts received prior to the provision of goods or services that will be recognized as revenue in a subsequent fiscal year as the performance obligations are met.

Other revenues are recognized in the period the event giving rise to the revenues occurred and future economic benefits are expected to be received.

Revenues that are non-respendable are not available to discharge the department'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 ERC is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the ERC 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 ERC 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)

	Forecast results 2025-26	Planned results 2026-27
Net cost of operations before government funding and transfers	6,181,973	7,381,584
Adjustment for items affecting net cost of operations but not affecting authorities:		
Decrease (increase) in employee future benefits	(1,022)	161
Services provided without charge by other government departments	(518,924)	(570,817)
Decrease (increase) in vacation pay and compensatory leave	737	12,895
Adjustments to previous years' payables at year-end	15,012	5,004

Refund of prior years' expenditures	150	196
Total items affecting net cost of operations but not affecting authorities	(504,047)	(552,561)
Adjustment for items not affecting net cost of operations but affecting authorities:		
Increase in salary overpayments	5,652	6,667
Total items not affecting net cost of operations but affecting authorities	5,652	6,667
Requested authorities	5,683,578	6,835,690

b) Authorities requested (in dollars)

	Forecast results 2025-26	Planned results 2026-27
Authorities requested		
Vote 1: operating expenditures	6,381,762	6,087,882
Statutory amounts	697,486	747,808
Less: Estimated unused authorities and other adjustments	(1,395,670)	-
Total authorities requested	5,683,578	6,835,690