



Financial Statements - For the year ended March 31, 2025

Public Service Commission of Canada



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Statement of Management Responsibility Including Internal Control over Financial Reporting

The Public Service Commission of Canada (PSC) is responsible for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2025, and for all information contained in these financial statements. These financial statements have been prepared by management using the Government of Canada's accounting policies, which are based on Canadian public sector accounting standards.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provide a centralized record of the PSC's financial transactions. Financial information submitted in preparation of the Public Accounts of Canada, and included in the PSC's *Departmental Results Report*, is consistent with these Financial Statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded, and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through the following: careful selection, training, and development of qualified staff; organizational arrangements that provide appropriate divisions of responsibility; communications programs intended to ensure that regulations, policies, standards, and managerial authorities are understood throughout the PSC; and an annual risk-based assessment of the effectiveness of the system of internal control over financial reporting.

The system of internal control over financial reporting is designed to mitigate risks to a reasonable level based on an ongoing process that consists in identifying key risks, assessing the effectiveness of associated key controls, and making any necessary adjustments.

A risk-based assessment of the system of internal control over financial reporting for the year ended March 31, 2025, was completed in accordance with the Treasury Board

Policy on Financial Management. The results and action plans are summarized in the annex.

The effectiveness and adequacy of the PSC's system of internal control is reviewed by internal audit staff, who conduct periodic audits of various areas of the PSC's operations. It is also reviewed by the Departmental Audit Committee, which oversees management's responsibilities for maintaining adequate control systems and the quality of financial reporting, and which recommends the Financial Statements to the President of the PSC.

The PSC's financial statements have not been audited.

Marie-Chantal Girard
President

Farhat Khan, CPA
Chief Financial Officer

Gatineau, Canada
September 12th, 2025

Public Service Commission of Canada
Statement of Financial Position (unaudited)
As of March 31, 2025

(in thousands of dollars)

	2025	2024
Liabilities		
Accounts payable and accrued liabilities (Note 4)	\$11,199	\$11,062
Vacation pay and compensatory leave	6,408	6,511
Employee future benefits (Note 5)	1,913	2,076
Total liabilities	19,520	19,649
Financial assets		
Due from the Consolidated Revenue Fund	7,048	5,191
Accounts receivable and advances (Note 6)	3,943	4,440
Total financial assets	10,991	9,631
Departmental net debt	8,529	10,018
Non-financial assets		
Tangible capital assets (Note 7)	4,216	5,641

	2025	2024
Total non-financial assets	4,216	5,641
Departmental net financial position	\$(4,313)	\$(4,377)
Contractual obligations (Note 8) Contingent liabilities (Note 9) <ul style="list-style-type: none"> The accompanying notes form an integral part of these Financial Statements. 		

Marie-Chantal Girard
President

Farhat Khan, CPA
Chief Financial Officer

Gatineau, Canada
September 12th, 2025

Public Service Commission of Canada
Statement of Operations and Departmental Net
Financial Position (unaudited)
For the year ended March 31, 2025

(in thousands of dollars)

	2025 Planned Results	2025	2024
Expenses			
Public Service Hiring and Non-partisanship	\$94,213	\$101,546	\$89,206
Internal Services	42,982	31,245	52,831
Total expenses	137,195	132,791	142,037
Revenues			
Assessment and counselling services revenues	14,252	8,380	8,087
Miscellaneous revenues	1,359	1,676	1,545
Revenues earned on behalf of Government	(1,348)	(1,643)	(1,544)
Total revenues	14,263	8,413	8,088
Net cost of operations before government funding and transfers	122,932	124,378	133,949

	2025 Planned Results	2025	2024
Government funding and transfers			
Net cash provided by Government of Canada	-	98,473	107,751
Change in amount due from Consolidated Revenue Fund	-	(1,857)	(2,861)
Services provided without charge by other government departments (Note 10)	-	24,522	25,401
Transfer of assets to other government departments	-	(410)	(4)
Net cost of operations after government funding and transfers	-	(64)	3,662
Departmental net financial position – Beginning of year	-	(4,377)	(715)
Departmental net financial position – End of year	-	\$(4,313)	\$(4,377)
Segmented information (Note 11) <ul style="list-style-type: none"> The accompanying notes form an integral part of these financial statements. 			



Public Service Commission of Canada
Statement of Change in Departmental Net Debt
(unaudited)
For the Year Ended March 31, 2025
(in thousands of dollars)

	2025	2024
Net cost of operations after government funding and transfers	\$(64)	\$3,662
Change due to tangible capital assets		
Acquisition of tangible capital assets	442	-
Amortization of tangible capital assets	(1,867)	(2,128)
Total change due to tangible capital assets	(1,425)	(2,128)
Net increase (decrease) in departmental net debt	(1,489)	1,534
Departmental net debt - Beginning of year	10,018	8,484
Departmental net debt - End of year	\$8,529	\$10,018
<ul style="list-style-type: none"> The accompanying notes form an integral part of these financial statements. 		

Public Service Commission of Canada
Statement of Cash Flows (unaudited)
For the Year Ended March 31, 2025 (in thousands of
dollars)

	2025	2024
Operating activities		
Net cost of operations before government funding and transfers	\$124,378	\$133,949
Non-cash items:		
Amortization of tangible capital assets	(1,867)	(2,128)
Services provided without charge by other government departments (Note 10)	(24,522)	(25,401)
Transfer of assets to other government departments	410	4
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	(497)	142
Decrease (increase) in accounts payable and accrued liabilities	(137)	1,178
Decrease (increase) in vacation pay and compensatory leave	103	(16)
Decrease (increase) in employee future benefits	163	23



	2025	2024
Cash used in operating activities	98,031	107,751
Capital investment activities		
Acquisition of tangible capital assets	442	
Cash used in capital investment activities	442	
Net cash provided by Government of Canada	\$98,473	\$107,751
<ul style="list-style-type: none"> The accompanying notes form an integral part of these financial statements. 		

Notes to the Financial Statements (unaudited) For the year ended March 31, 2025

1. Authority and objectives

The Public Service Commission of Canada (PSC) is an independent agency established under the *Public Service Employment Act* and listed in schedules 1.1 and IV of the *Financial Administration Act*.

The PSC promotes and safeguards a merit-based, representative and non-partisan public service that delivers results for all Canadians.

Through policy direction and guidance, the PSC supports departments and agencies in the hiring of qualified individuals into and within the public service, helping to shape a workforce that reflects Canada's diversity. It delivers recruitment programs and assessment services that support the strategic recruitment priorities of the Government of Canada and the renewal of the public service. It does so by leveraging modern tools to reduce barriers for Canadians who seek to access public service jobs.

The PSC oversees public service hiring, ensuring the integrity of the hiring process. It provides guidance to employees regarding their legal rights and responsibilities related

to political activities and renders decisions on political candidacy. The PSC ensures that employees' rights to participate in political activities are respected, while also protecting the non-partisan nature of the public service.

Internal services are groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal services refer to the activities and resources of the 10 distinct service categories that support program delivery in the organization, regardless of the internal services delivery model in a department. The 10 service categories: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Management Services; and Acquisition Management Services.

2. Summary of significant accounting policies

These financial statements are prepared using the PSC's accounting policies stated below, which are 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. Parliamentary authorities

The PSC is funded by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the PSC do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting. The planned results amounts in the "Expenses" and "Revenues" sections of the Statement of Operations and Departmental Net Financial Position are the amounts reported in the Future-oriented Statement of Operations included in the *2024 to 2025 Departmental Plan*. Planned results are not presented in the "Government funding and transfers" section of the Statement of Operations and Departmental Net Financial Position and in the Statement of Change in Departmental Net Debt because these amounts were not included in the *2024 to 2025 Departmental Plan*.

b. Net cash provided by the Government

The PSC operates within the Consolidated Revenue Fund, which is administered by the Receiver General for Canada. All cash received by the PSC is deposited to the Consolidated Revenue Fund and all cash disbursements made by the PSC are paid from the Consolidated Revenue Fund. The net cash provided by the Government is the difference between all cash receipts and all cash disbursements, including transactions between departments of the Government.

c. Amounts due from the Consolidated Revenue Fund

Amounts due from the Consolidated Revenue Fund are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the Consolidated Revenue Fund. Amounts due from the Consolidated Revenue Fund represent the net amount of cash that the PSC is entitled to draw from the Consolidated Revenue Fund without further authorities to discharge its liabilities.

d. Revenues

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 PSC's liabilities. While the President is expected to maintain accounting control, she has no authority regarding 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 entity's gross revenues.

e. Expenses

Expenses are recorded on an accrual basis. Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment. Services provided without charge by other government departments for accommodation, employer contributions to the health and dental insurance plans, information technology services, legal services and workers' compensation are recorded as operating expenses at their carrying value.

f. Employee future benefits

i. Pension benefits

Eligible employees participate in the Public Service Pension Plan, a multi-employer pension plan administered by the Government. The PSC's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. The PSC's responsibility with regard to the Plan is limited to its

contributions. Actuarial surpluses or deficiencies are recognized in the Financial Statements of the Government of Canada, as the Plan's sponsor.

ii. Severance benefits

The accumulation of severance benefits for employees voluntarily leaving was discontinued for applicable employee groups. The remaining obligation for employees who did not withdraw benefits is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

g. Accounts receivable

Accounts receivable are stated at the lower of cost and net recoverable value. When necessary, an allowance for valuation is recorded to reduce the carrying value of accounts receivable to an amount that approximates the net recoverable value.

h. Contingent liabilities

Contingent liabilities are potential liabilities that may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, a provision is accrued and an expense recorded to other expenses. If the likelihood cannot be determined or an amount cannot be reasonably estimated, the contingency is disclosed in the Notes to the Financial Statements.

i. Tangible capital assets

The costs of acquiring land, buildings, equipment and other capital property are capitalized as tangible capital assets and are amortized to expense over the estimated useful lives of the assets, as described in [Note 7](#). All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. Amounts included in assets under construction are transferred to the appropriate class of asset upon completion, and then amortized.

j. Measurement uncertainty

To prepare these financial statements, management must make estimates and assumptions that affect the reported and disclosed amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes as of March 31. The estimates are based on facts and circumstances, historical experience, and general economic conditions, and reflect the Government's best estimate of the related amount at the end of the reporting period. The most significant items where

estimates are used are contingent liabilities, the liability for employee future benefits, and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary authorities

The PSC receives most of its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Departmental Net Financial Position, and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, the PSC has different net results 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 current year authorities used

(in thousands of dollars)

	2025	2024
Net cost of operations before government funding and transfers	\$124,378	\$133,949
Adjustments for items affecting net cost of operations but not affecting authorities:	-	-
Services provided without charge by other government departments	(24,522)	(25,401)
Amortization of tangible capital assets	(1,867)	(2,128)
Miscellaneous revenues	27	(4)
Decrease (increase) in employee future benefits	163	23

	2025	2024
Decrease (increase) in vacation pay and compensatory leave	104	(16)
Refunds of program expenditures	(93)	70
Expenses pending litigation	(2)	(10)
Other	1,144	119
Total items affecting net cost of operations but not affecting authorities	(25,046)	(27,347)
Adjustments for items not affecting net cost of operations but affecting authorities:	-	-
Acquisitions of tangible capital assets	442	-
Salary overpayments	343	286
Employee advances	9	6
Total items not affecting net cost of operations but affecting authorities	794	292
Current year authorities used	\$100,126	\$106,894



**(b) Authorities provided and used:
(in thousands of dollars)**

	2025	2024
Authorities provided		
Vote 1 – Program expenditures (Operating)	\$92,846	\$96,523
Statutory amounts	12,061	13,685
Total authorities provided	104,907	110,208
Lapsed: Operating	(4,781)	(3,314)
Current year authorities used	\$100,126	\$106,894

4. Accounts payable and accrued liabilities

The following table shows details of the PSC's accounts payable and accrued liabilities:

(in thousands of dollars)

	2025	2024
Accounts payable – Other government departments and agencies	\$147	\$534
Accounts payable – External parties	10,777	8,995
Total accounts payable	10,924	9,529
Accrued liabilities	275	1,533

	2025	2024
Total accounts payable and accrued liabilities	\$11,199	\$11,062



5. Employee future benefits

a. Pension benefits

The PSC's employees participate in the Public Service Pension Plan. The Plan is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2% per year of pensionable service, times the average of the best 5 consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plan benefits and indexed to inflation.

Both the employees and the PSC contribute to the cost of the Plan. Because the *Public Service Superannuation Act* was amended following the implementation of provisions related to Economic Action Plan 2012, employee contributors have been divided into 2 groups. Group 1 consists of existing plan members as of December 31, 2012, and Group 2 consists of members joining the Plan as of January 1, 2013. Each group has a specific contribution rate.

The expense for fiscal year 2024 to 2025 amounts to \$7,721,163 (\$8,090,000 in fiscal year 2023 to 2024). For Group 1 members, the expense represents approximately 1.02 times (1.02 times in fiscal year 2023 to 2024) the employee contributions, and for Group 2 members, approximately 1.00 times (1.00 times in fiscal year 2023 to 2024) the employee contributions.

The PSC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the Consolidated Financial Statements of the Government of Canada, as the Plan's sponsor.

b. Severance benefits

Severance benefits provided to the PSC's employees were previously based on an employee's eligibility, years of service, and salary at termination of employment. However, since 2011, the accumulation of severance benefits for employees voluntarily leaving has been gradually discontinued for substantially all employees. Employees subject to these changes were given the option to be paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits upon leaving the public service. By March 31, 2025, all settlements for immediate cash out were completed. Severance benefits are unfunded and, consequently, the outstanding obligation will be paid from future authorities.

The changes in the obligations during the year were as follows:

(in thousands of dollars)

	2025	2024
Accrued benefit obligation – Beginning of year	\$2,076	\$2,099
Expense for the year	(163)	224
Benefits paid during the year	-	(247)
Accrued benefit obligation – End of year	\$1,913	\$2,076

6. Accounts receivable and advances

The following table shows details of the PSC's accounts receivable and advances balances:

(in thousands of dollars)

	2025	2024
Receivables – Other government departments and agencies	\$1,423	\$1,566
Receivables – External parties	2,299	2,636
Employee advances	221	238
Accounts receivable	\$3,943	\$4,440

7. Tangible capital assets

Tangible capital assets are amortized on a straight-line basis over the estimated useful life of the asset as follows:

Asset class	Amortization period
Office equipment	3 to 15 years
Informatics hardware and infrastructure	4 to 5 years
Computer software	3 to 5 years
Furniture and fixtures	10 years
Vehicles	6 years
Leasehold improvements	10 years
Assets under construction	Once in service, in accordance with asset type



(in thousands of dollars)

Capital Asset Class	Cost					Accumulated Amortization					Net Book Value	
	Opening Balance	Acquisitions	Disposals, Write-offs	Other Transactions	Closing Balance	Opening Balance	Amortization	Disposals, Write-offs	Other Transactions	Closing Balance	2025	2024
Office equipment	45	-	-	-	45	45	-	-	-	45	-	-
Computer software	39,222	15	-	-	39,237	34,600	1,800	-	-	34,600	2,837	4,622
Furniture and fixtures	28	-	-	-	28	21	2	-	-	23	5	6
Vehicles	22	-	(22)	-	-	20	2	(22)	-	-	-	3



	Cost					Accumulated Amortization					Net Book Value	
Leasehold improvements (LI)	793	-	-	-	793	488	63	-	-	551	242	306
Assets under development (AUD) - software	583	427	-	-	1,010	-	-	-	-	-	1,010	582
AUD - LI	122	-	-	-	122	-	-	-	-	-	122	122
Total	40,815	442	(22)	-	41,235	35,174	1,867	(22)	-	37,019	4,216	5,641



8. Contractual obligations

The nature of the PSC's activities may result in some significant multi-year obligations whereby the PSC will be required to make future payments when the services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in thousands of dollars)

	2026	2027	2028	2029	2030 and thereafter	Total
Service contracts	\$2,559	-	-	-	-	\$2,559

9. Contingent liabilities

Contingent liabilities arise in the normal course of operations, and their ultimate disposition is unknown. Contingent liabilities are potential liabilities that may become actual liabilities when one or more future events not wholly within the government's control occur or fail to occur.

Claims and litigation

Claims have been made against the PSC in the normal course of operations. These claims include items with pleading amounts. The PSC has recorded an allowance for claims and litigations where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. Claims and litigations for which the outcome is determinable, and for which a reasonable estimate can be made by management, amount to approximately \$12,000. In addition, the PSC discloses one claim and litigation for which the outcome is not determinable, and for which a reasonable estimate can be made by management, amounting to approximately \$40,000, as of as of March 31, 2025. As well, the PSC discloses 2 claims and litigation for which the outcome is not determinable, and for which a reasonable estimate cannot be made by management, as of March 31, 2025, the status of which may change in future.

10. Related party transactions

The PSC is related as a result of common ownership to all government departments, agencies, and Crown corporations. Related parties also include individuals who are key management personnel or close family members of those individuals, and entities controlled by, or under shared control of, a member of key management personnel or a close family member of that individual.

The PSC enters into transactions with these entities in the normal course of business and on normal trade terms.

a) Common services provided without charge by other government departments

During the year, the PSC received services without charge from certain common service organizations, related to accommodation, the employer's contribution to the health and dental insurance plans, legal services, workers' compensation coverage, and information technology services. These services provided without charge have been recorded at the carrying value in the PSC's Statement of Operations and Departmental Net Financial Position as follows:

(in thousands of dollars)

	2025	2024
Accommodation	\$8,735	\$9,927
Employer's contribution to the health and dental insurance plans	7,263	8,351
Information technology services	7,926	6,471
Legal services	592	646
Workers' compensation	6	6
Total	\$24,522	\$25,401

The Government has centralized some of its administrative activities for efficiency and cost effectiveness purposes and for economical delivery of programs to the public. As a

result, the Government uses central agencies and common service organizations so that one department performs services for all other departments and agencies without charge. The costs of these services, such as the payroll and cheque issuance services provided by Public Services and Procurement Canada, are not included in the PSC's Statement of Operations and Departmental Net Financial Position.

b) Other transactions with other government departments and agencies

(in thousands of dollars)

	2025	2024
Expenses	\$18,402	\$25,153
Revenues	\$8,380	\$8,075

Expenses and revenues disclosed in (b) exclude common services provided without charge, which are already disclosed in (a).

Expenses disclosed in (b) include other information technology services and legal services that are specific to the needs of the PSC and are received with charge from common service organizations. The cost of these services has been recorded in the PSC's Statement of Operations and Departmental Net Financial Position.

11. Segmented information

Presentation by segment is based on the PSC's Departmental Results Framework. The presentation by segment is based on the same accounting policies as described in Note 2 – Summary of significant accounting policies.

Revenues from assessment and counselling services are derived from the provision of services and products developed by the PSC to help public-sector managers select and develop competent employees. These services and products are provided by the PSC's Personnel Psychology Centre and the PSC's 5 regional offices. The PSC has the authority to re-spend these revenues to offset expenditures incurred in the same year for the provision of assessment and counselling services and products.

The following table presents the expenses incurred and revenues generated for the core responsibilities and their related program inventory, by major object of expense and by major type of revenue. The segment results for the period are as follows:

(in thousands of dollars)

	Public Service Hiring and Non- partisanship	Internal Services	2025 Total	2024 Total
Salaries and employee benefits	\$79,196	\$21,865	\$101,061	\$113,631
Professional and special services	8,208	7,643	15,851	13,742
Accommodation	6,679	2,054	8,733	9,926
Transportation and telecommunications	135	138	273	151
Amortization of tangible capital assets	-	1,867	1,867	2,128
Informatics, office equipment, furniture and fixtures	14	1,565	1,579	341
Repair and maintenance	-	70	70	64
Rentals	863	1,698	2,561	1,633
Printing and publications services	274	86	360	151
Utilities, materials and supplies and other payments	6,177	(5,741)	436	270

	Public Service Hiring and Non- partisanship	Internal Services	2025 Total	2024 Total
Total expenses	101,546	31,245	132,791	142,037
Assessment and counselling services revenues	8,380	-	8,380	8,087
Miscellaneous revenues	1,676	-	1,676	1,545
Revenues earned on behalf of Government	(1,643)	-	(1,643)	(1,544)
Total revenues	8,413	-	8,413	8,088
Net cost of operations before government funding and transfers	\$93,133	\$31,245	\$124,378	\$133,949

