Canadian Transportation Agency

Office des transports du Canada

Future-Oriented Statement of Operations

For the years ending March 31, 2026 and March 31, 2027

Canadian Transportation Agency

Canada

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

Description	2025–26 Forecast Results	2026–27 Planned Results
Expenses		
Independent regulatory and dispute-resolution services for transportation providers and users	$47,303,009	$29,208,669
Internal services	$18,866,373	$10,322,083
Total expenses	**$66,169,382**	**$39,530,752**
Revenues		
Revenues from fines	$1,046,900	$1,104,700
Other revenues	$37,222	$223,334
Revenues earned on behalf of Government	($1,084,122)	($1,328,034)
Total revenues	–	–
Net cost of operations before government funding and transfers	**$66,169,382**	**$39,530,752**

The accompanying notes form an integral part of the Future-Oriented Statement of Operations.

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

1. Methodology and Significant Assumptions

The Future-Oriented Statement of Operations has been prepared based on 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 October 28, 2025, and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for fiscal year 2026-27.

The main assumptions underlying the forecasts are as follows:

a) The Canadian Transportation Agency's (Agency) mandate and activities will remain substantially the same as in the previous year.
b) Total expenses are projected to decrease by $26.6 million (40.3%) in 2026-27. This decrease is due to the sunsetting of temporary funds allocated under Budget 2023 (i.e., $75.9 million over three years, starting in 2023-24).
c) Revenues are based on past experience. The general historical pattern is expected to continue with the exception of administrative monetary penalties (AMPs). It is not possible to accurately forecast revenues related to AMPs associated with enforcement activities.

These assumptions are made as at October 28, 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 Agency 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 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:

d) changes to the operating budget, such as new initiatives or technical adjustments later in the fiscal year;
e) the timing and the amount of acquisitions and disposals of property, plant and equipment, which may affect gains, losses and amortization expense;
f) the implementation of new collective agreements; and
g) economic conditions, which may affect both the amount of revenue earned and the collectability of receivables.

After the Departmental Plan is tabled in Parliament, the Agency 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

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

All 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 Agency’s liabilities. Although the deputy head is expected to maintain accounting control, she has no authority over the disposition of non-respendable revenues. As a result, non-respendable revenues are earned on behalf of the Government of Canada and are therefore presented as a reduction of the Agency’s gross revenues.

4. Parliamentary Authorities

The Agency is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the Agency 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 Agency 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)

Description	2025–26 Forecast Results	2026–27 Planned Results
Net cost of operations before government funding and transfers	$66,169,382	$39,530,752
Adjustments for items affecting net cost of operations, but not affecting authorities		
Amortization of tangible capital assets	($505,084)	($436,998)
Services provided without charge by other federal government departments	($6,727,039)	($5,070,483)
Decrease (increase) in vacation pay and compensatory leave	($304,397)	$943,727
Decrease (increase) in employee future benefits	($223,130)	$454,650
Refunds of previous years' expenditures	$1,173	$5,039
Total items affecting net cost of operations but not affecting authorities	**($7,758,477)**	**($4,104,065)**
Adjustments for items not affecting net cost of operations but affecting authorities		
Acquisitions of tangible capital assets	$765,980	$780,885
Increase (decrease) in prepaid expenses	$149,582	($505,404)
Total items not affecting net cost of operations but affecting authorities	**$915,562**	**$275,481**
Requested authorities forecasted to be used	**$59,326,467**	**$35,702,168**

b) Authorities provided/requested (in dollars)

Description	2025–26 Forecast Results	2026–27 Planned Results
Authorities provided/requested		
Vote 1: Operating expenditures	$52,482,205	$31,179,231
Statutory amounts	$6,844,262	$4,522,937
Total authorities provided/requested	**$59,326,467**	**$35,702,168**
Less: Estimated unused authorities and other adjustments	$0	$0
Total authorities provided/requested forecasted to be used	**$59,326,467**	**$35,702,168**