

# Security Intelligence Review Committee

## Quarterly Financial Report

Statement outlining results, risks and significant changes in operations,  
personnel and program

For the quarter ended June 30, 2013

### **INTRODUCTION**

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This quarterly report has been prepared by management as required by section 65.1 of the Financial Administration Act and in the form and manner prescribed by the Treasury Board Accounting Standard 1.3. This quarterly financial report should be read in conjunction with the Main Estimates and Supplementary Estimates and with the previous Quarterly Financial Reports .

This quarterly report has not been subject to an external audit or review.

### **AUTHORITY, MANDATE AND PROGRAM AUTHORITIES**

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The Security Intelligence Review Committee (SIRC) is an independent, external review body which reports to Parliament on the operations of the Canadian Security Intelligence Service (CSIS). SIRC was established in 1984, at the same time as CSIS, and derives its powers from the Canadian Security Intelligence Service Act (CSIS Act) .

Parliament has given CSIS powers to ensure the security of Canadians. SIRC ensures that these powers are used legally and appropriately, in order to protect Canadians' rights and freedoms. To do this, SIRC examines past operations of the Service and investigates complaints. It has absolute authority to examine all information concerning CSIS activities, no matter how sensitive and highly classified that information may be. The results of this work, edited to protect national security and personal privacy, are summarized in its Annual Report to Parliament.

Further information on SIRC's program activities can be located in Part II of the Main Estimates.

### **BASIS OF PRESENTATION**

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This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the department's spending authorities granted by Parliament and those used by the department, consistent with the Main Estimates and Supplementary Estimates for the 2013-14 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework (using a cash basis) designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before moneys can be spent by the Government. Approvals are given in the form of annually approved limits through appropriations acts or through legislation in the form of statutory spending authority for specific purposes.

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The Department uses the full accrual method of accounting to prepare and present its departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

### **HIGHLIGHTS OF FISCAL QUARTER AND FISCAL YEAR TO DATE (YTD) RESULTS**

#### **Statement of Authorities**

As of June 30, 2013, the total authorities available for the year have increased by \$232 thousand when compared to the same quarter in 2012-13.

As per the Statement of Authorities, the net increase of \$232 thousand (\$2.5 million in fiscal year 2012-13 compared to \$2.8 million for fiscal year 2013-14) is mainly related to an increase in salaries.

Bill C-38, the Jobs, Growth and Long-term Prosperity Act, expanded SIRC's responsibilities. Additional full-time equivalents (FTEs) were transferred from Public Safety Canada to SIRC in order for the organization to fulfill its expanded mandate.

#### **Statement of Departmental Budgetary Expenditures by Standard Object**

The department's quarterly and year-to-date spending are similar to those of the previous year.

### **RISKS AND UNCERTAINTIES**

This Departmental Quarterly Financial Report (QFR) reflects the results of the current fiscal period in relation to the Main Estimates for which full supply was released on June 20, 2013. The department received no additional funding authorities in Supplementary Estimates A.

In 2013-14, SIRC will be operating under new leadership as both the Chair and Executive Director positions are recent appointments. In addition, Bill C-38, the Jobs, Growth and Long-term Prosperity Act, has expanded SIRC's responsibilities such that, for the first time, pursuant to section 6(4) of the CSIS Act, the report provided by the Director of CSIS to the Minister of Public Safety will now be reviewed by SIRC who will provide the Minister of Public Safety with a certificate stating the extent to which it is satisfied with the content of the report.

In addition to these new requirements, SIRC will continue to adapt its operations to the rapid pace of change in the security intelligence environment and turnover at the committee member level which could have significant impacts on SIRC's investigations of complaints.

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### SIGNIFICANT CHANGES IN RELATION TO OPERATIONS, PERSONNEL AND PROGRAMS

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Bill C-38, the Jobs, Growth and Long-term Prosperity Act, received Royal Assent on June 29, 2012. The Act transferred specific responsibilities, formerly assigned to the Inspector General of CSIS, to SIRC. Of the two FTEs transferred to SIRC from Public Safety Canada, one is currently staffed and the other will be shortly.

**Approved by:**



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Hon. Charles Strahl, P.C.  
Chair  
Ottawa, Canada  
August 14, 2013



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Michael E. Doucet  
Executive Director,  
Chief Financial Officer

**Security Intelligence Review Committee**

For the quarter ended June 30, 2013

**STATEMENT OF AUTHORITIES (unaudited)**

	Fiscal year 2013-2014		Fiscal year 2012-2013	
	Planned expenditures for the year ending March 31, 2014	Used during the quarter ended June 30, 2013	Planned expenditures for the year ending March 31, 2013	Used during the quarter ended June 30, 2012
		Year to date used at quarter end		Year to date used at quarter end
<i>(In thousands of dollars)</i>				
<b>Vote 1 - Net operating expenditures</b>		<b>416</b>		<b>468</b>
<b>Contributions to employee benefit plans</b>	<b>320</b>	<b>80</b>	<b>293</b>	<b>73</b>
<b>Total budgetary authorities</b>	<b>2,766</b>	<b>496</b>	<b>2,534</b>	<b>541</b>
<b>TOTAL AUTHORITIES</b>	<b>2,766</b>	<b>496</b>	<b>2,534</b>	<b>541</b>

\*\*Includes only Authorities available for use and granted by Parliament at quarter-end

Note: Details may not add to totals due to rounding

# Security Intelligence Review Committee

For the quarter ended June 30, 2013

**TABLE 1: Departmental budgetary expenditures by Standard Object (unaudited)**

	Fiscal year 2013-2014		Fiscal year 2012-2013		
	Total available for use for the year ending March 31, 2014	Used during the quarter ended June 30, 2013	Total available for use for the year ending March 31, 2013	Used during the quarter ended June 30, 2012	Year to date used at quarter end
<b>Expenditures</b>					
Personnel	2,161	445	1,960	427	427
Transportation and communications	140	19	133	35	35
Information	31	3	21	3	3
Professional and special services	349	22	335	68	68
Rentals	20	3	20	2	2
Repair and maintenance Utilities, materials and supplies	10	-	10	1	1
Acquisition of machinery and equipment	20	4	20	4	4
Other subsidies and payments	35	-	35	1	1
	-	-	-	-	-
<b>Total gross budgetary expenditures</b>	<b>2,766</b>	<b>496</b>	<b>2,534</b>	<b>541</b>	<b>541</b>
<b>TOTAL AUTHORITIES</b>	<b>2,766</b>	<b>496</b>	<b>2,534</b>	<b>541</b>	<b>541</b>

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