

Security Intelligence Review Committee

Quarterly Financial Report

Statement outlining results, risks and significant changes in operations,
personnel and program
For the quarter ended September 30, 2014

INTRODUCTION

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*, the *Supplementary Estimates* and the previous *Quarterly Financial Report*.

A summary description of the Security Intelligence Review Committee (SIRC) program activities can be found in Part II of the Main Estimates. For information on the mandate of SIRC, please visit its website at <http://www.sirc-csars.gc.ca>.

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

BASIS OF PRESENTATION

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* for the 2014-15 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework (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.

SIRC uses the full accrual method of accounting to prepare and present its annual 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

This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year and actual expenditures for the quarter ended September 30, 2014.

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Statement of Authorities

Authorities available for use:

SIRC's total authorities for 2014-15 increased by \$133,000 when compared to 2013-14. The increase is explained by funding received for ongoing impacts of salary increases which were in effect since 2013-14 and for the Operating Budget Carry Forward which was received at a later date in 2013-14. These increases are partially offset by a decrease in contributions to employee benefit plans (in accordance with Treasury Board Secretariat guidelines).

Year to date authorities used:

Overall, SIRC's 2014-15 expenditures for the quarter ended September 30, 2014 have increased by \$217,000 (or 18%) when compared to the 2013-14 expenditures for the same period. Further information related to this increase is provided in the section below addressing the Statement of Departmental Budgetary Expenditures by Standard Object.

Statement of Departmental Budgetary Expenditures by Standard Object

Authorities available for use:

Please refer to the explanation provided under the Statement of Authorities section for related information.

Year to date authorities used:

The increase of \$217,000 in the year-to-date used at quarter-end is mainly explained by:

Personnel

The increase in personnel of \$74,000 is mainly due to staffing of new positions as a result of Bill C-38, the *Jobs, Growth and Long-term Prosperity Act* where SIRC's responsibilities were expanded; and, the return of staff who were on parental leave during the same quarter last fiscal year.

Transportation and communications

The increase in transportation and communications of \$40,000 is mainly due to the travel costs for the participation of employees to an international conference for review agencies.

Other subsidies and payments

The increase in other subsidies and payments of \$67,000 is due to a one-time transition payment for implementing salary payment in arrears by the Government of Canada.

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RISKS AND UNCERTAINTIES

This *Departmental Quarterly Financial Report* (QFR) reflects the results of the current fiscal period in relation to the 2014-15 *Main Estimates* (full supply was released on June 19, 2014). SIRC did not request any funding through the *2014-15 Supplementary Estimates (A)*.

SIRC continues to adapt its operations to the rapid pace of change in the security intelligence environment and is managing the vacancies on the committee in order to minimize the impacts on SIRC's operations.

SIGNIFICANT CHANGES IN RELATION TO OPERATIONS, PERSONNEL AND PROGRAMS

In January 2014, the Honourable Deborah Grey has been appointed as Interim Chair of SIRC.

Approved by:

Hon. Deborah Grey, P.C., O.C.
Interim Chair

Qualicum Beach, Canada
Date:

Michael E. Doucet
Executive Director
Chief Financial Officer

Ottawa, Canada

Security Intelligence Review Committee

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STATEMENT OF AUTHORITIES *(unaudited)*

	Fiscal year 2014-2015			Fiscal year 2013-2014		
	Planned expenditures for the year ending March 31, 2015	Used during the quarter ended September 30, 2014	Year to date used at quarter end	Planned expenditures for the year ending March 31, 2014	Used during the quarter ended September 30, 2013	Year to date used at quarter end
<i>(In thousands of dollars)</i>						
Vote 1 - Net operating expenditures	2,590	708	1,266	2,446	601	1,017
Contributions to employee benefit	309	52	129	320	80	160
Total budgetary authorities	2,899	760	1,395	2,766	681	1,177
TOTAL AUTHORITIES	2,899	760	1,395	2,766	681	1,177

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

Note: Details may not add to totals due to rounding

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For the quarter ended September 30, 2014

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

	Fiscal year 2014-2015			Fiscal year 2013-2014		
	Total available for use for the year ending March 31, 2015	Used during the quarter ended September 30, 2014	Year to date used at quarter end	Total available for use for the year ending March 31, 2014	Used during the quarter ended September 30, 2013	Year to date used at quarter end
<i>(In thousands of dollars)</i>						
Expenditures						
Personnel	2,182	577	1,090	2,161	570	1,015
Transportation and communications	152	104	114	140	55	74
Information	27	8	11	31	10	13
Professional and special services	428	47	78	349	35	57
Rentals	47	18	25	20	2	5
Repair and maintenance	-	-	-	10	-	-
Utilities, materials and supplies	63	3	8	20	4	8
Acquisition of machinery and equipment	-	2	2	35	5	5
Other subsidies and payments	-	(0)	67	-	-	-
Total gross budgetary expenditures	2,899	760	1,395	2,766	681	1,177
TOTAL AUTHORITIES	2,899	760	1,395	2,766	681	1,177

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

Note: Details may not add to totals due to rounding