

Board of Directors
(February 23, 2012)

Subject matter

2011/2012 Quarterly Budgetary Financial Report – Results for the nine months ended December 31, 2011.

Background

N/A

Information on the matter

See attached.

For decision

For information **X**

Prepared by

Name: Michael Mooney/Suzanne Morris
Date: February 16, 2012

Management recommendation

N/A

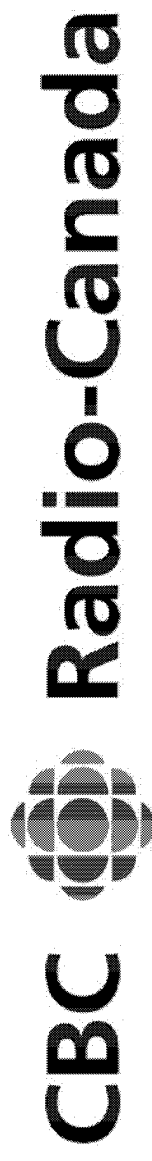
Last discussed at the Board

Date: November 2011
Decision made: Reviewed 2011/2012 Quarterly Financial Management Report -
September 2011 results.

Next steps

Results for the twelve months ended March 31st, 2012 will be presented in
June 2012

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QUARTERLY BUDGETARY MANAGEMENT REPORT
For the nine months ended December 31, 2011

February 2012

Confidential for Internal Purposes

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QUARTERLY FINANCIAL MANAGEMENT REPORT

For the nine month period ended December 31, 2011.

Financial Reporting Basis

CBC/Radio-Canada is required to publish quarterly financial reports and to submit Annual Reports to the Minister of Canadian Heritage containing consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

In addition, CBC/Radio-Canada reports its financial results on a budget basis for management reporting purposes, which differs from IFRS. Certain non-cash items such as accrued pension plan expenses, other employee future benefits and depreciation are not recognised on a budget basis.

Financial Review and Analysis Content

This report presents and analyses segmented results of operations for the nine months ended December 31, 2011, compared to the year-to-date budget, and year-end forecasts. Segmented results are presented for English and French media services, Media-Related and Support Activities.

The Financial statements, prepared in accordance with IFRS for the period ended December 31, 2011 and compared with the results for the same period in 2010/2011, are presented separately in the Third Quarter Financial Report.

In addition, an overview of the capital budget is presented for the nine months ended December 31, 2011.

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FINANCIAL STATEMENTS- BUDGET BASIS

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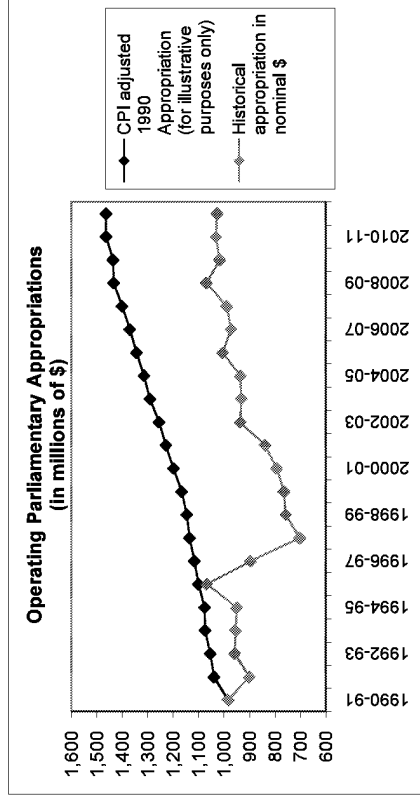
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Financial Highlights

For the nine month period ended December 31

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Sources of Funds
For the nine month period ended December 31



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Expenditures
For the nine month period ended December 31

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**Overview of the nine month period ended December 31
(in \$000's)**

	Comparison to Budget			
	Year-to-date (April to December)		Annual Basis (April to March)	
	2011/2012 Actuals	2011/2012 Budget	2011/2012 Forecast	2011/2012 Budget
SOURCE OF FUNDS				
Drawdown (Used for) generated by working capital Planned Prior Year Carryover Government Funding and Carryover				
Revenues				
Local Programming Improvement Fund				
English Television				
French Television				
Local Programming Improvement Fund				
Advertising Revenues				
English Services				
French Services				
Advertising Revenues				
Miscellaneous Revenues-Regular Operations				
English Services				
French Services				
Others				
Miscellaneous Revenues-Regular Operations				
Revenues-Specialty Services:				
CBC News Network				
bold				
Réseau de l'information				
Explora				
Revenues-Specialty Services				
TOTAL SOURCE OF FUNDS				
APPLICATION OF FUNDS				
Expenditures				
English Services				
French Services				
Media-Related Activities				
Support Activities				
TOTAL APPLICATION OF FUNDS				
NET POSITION				

**Overview of the nine month period ended December 31
Budgetary results including ARTV and Documentary Channel
(in \$000's)**

	Comparison to Prior Year		
	2011/2012 Actuals	2010/2011 Actuals	Variance
CBC/Radio-Canada Budgetary NET POSITION (excluding investments)	11,783	33,851	(22,068)
Investments in ARTV *			
Revenues	13,437	7,994	5,443
Expenses	10,476	6,590	(3,886)
NET POSITION - ARTV	2,961	1,404	1,557
Less : Non-CBC portion (15%)	444	211	234
CBC/Radio-Canada's share (85%) - ARTV	2,517	1,193	1,323
Investments in Documentary Channel			
Revenues	4,153	4,164	(11)
Expenses	2,698	2,771	73
NET POSITION - Documentary Channel	1,455	1,393	62
Less : Non-CBC portion (18%)	262	251	11
CBC/Radio-Canada's share (82%) - Documentary Channel	1,193	1,142	51
NET POSITION INVESTMENTS	3,710	2,336	1,374
NET POSITION (including investments)	15,493	36,187	(20,694)

This overview is intended to identify the impact of CBC/Radio-Canada's share in ARTV and Documentary Channel, which is included in the consolidated Financial Statements in accordance with GAAP (IFRS) but not included in the financial reports on a budgetary basis.

* ARTV has been reported on a consolidated basis since July 12, 2010 when CBC/Radio-Canada acquired additional ARTV shares. The actual results for 2010/2011 therefore reflect only 6 months of operations compared to 9 months in 2011/2012.

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Overview Comments

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**Consolidated English Services
For the nine month period ended December 31
(\$000's)**

Comparison to Budget				
	Year-to-Date (April to December)		Annual Basis (April to March)	
	2011/2012 Actuals	2011/2012 Budget	2011/2012 Forecast	2011/2012 Budget
Variance				
SOURCE OF FUNDS				
Parliamentary Appropriation				
Prior Year Carryover				
Government Funding and Carryover				
Local Programming Improvement Fund				
Revenues				
English Television - Advertising - Television				
English Television - Advertising - Digital Services				
English Television - Advertising - Contrats/Value-added				
English Television - Miscellaneous				
CBC News Network - Advertising				
CBC News Network - Subscriber and other revenue				
bold - Advertising				
bold - Subscriber and other revenue				
Merchandising - Miscellaneous				
English Radio - Miscellaneous				
Total Revenues				
TOTAL SOURCE OF FUNDS				
APPLICATION OF FUNDS				
English Television - Programming and Production				
English Television - Technical				
English Television - Regional Operations				
CBC News Network				
bold				
English Radio - Programming and Production				
English Radio - Technical				
English Radio - Regional Operations				
Sales and Marketing				
Merchandising				
Programming and Other Commitments				
Media Management				
TOTAL APPLICATION OF FUNDS				
NET POSITION				

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Consolidated English Services Results Comments

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**Consolidated French Services
For the nine month period ended December 31
(\$'000's)**

	Comparison to Budget			
	Year-to-Date (April to December)		Annual Basis (April to March)	
	2011/2012 Actuals	2011/2012 Budget	2011/2012 Forecast	2011/2012 Budget
SOURCE OF FUNDS				
Parliamentary Appropriation				
Prior Year Carryover				
Total Government Funding and Carryover				
Local Programming Improvement Fund				
Revenues				
French Television - Advertising - Television				
French Television - Advertising - Digital Services				
French Television - Advertising - Contrats/Value-added				
French Television - Miscellaneous				
Réseau de l'information - Advertising				
Réseau de l'information - Subscriber and Other Revenue				
Explora - Advertising				
Explora - Miscellaneous				
Merchandising - Miscellaneous				
French Radio and Radio Canada International - Miscellaneous				
Total Revenues				
TOTAL SOURCE OF FUNDS				
APPLICATION OF FUNDS				
French Television - Programming and Production				
French Television - Technical				
French Television - Regional Operations				
Réseau de l'information				
Explora				
French Radio - Programming and Production				
French Radio - Technical				
French Radio - Regional Operations				
Radio Canada International				
Revenue Group (excluding RDI)				
Merchandising				
Programming and Other Commitments				
Media Management				
TOTAL APPLICATION OF FUNDS				
NET POSITION				

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Consolidated French Services Results Comments

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Media-Related Activities
For the nine month period ended December 31
(\$000's)

	Comparison to Budget			
	Year-to-date (April to December)		Annual Basis (April to March)	
	2011/2012 Actuals	2011/2012 Budget	2011/2012 Forecast	Variance to Budget
SOURCE OF FUNDS				
Parliamentary Appropriation				
Prior Year Carryover				
Government Funding and Carryover				
Revenues				
CBC Transmission and Distribution				
Real Estate Services				
Mobile Productions-External Rentals				
Ottawa Production Centre				
Sirius				
Total Revenues				
TOTALSOURCE OF FUNDS				
APPLICATION OF FUNDS				
Technology Strategy Board				
Broadcast and Telecommunication				
CBC Transmission and Distribution				
Real Estate Services				
Mobile Productions				
Mobile Productions-Recoveries from medias				
Ottawa Production Centre				
Content Management				
Corporate Reserve				
TOTAL APPLICATION OF FUNDS				
NET POSITION				

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Media-Related Activities Results Comments

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Support Activities
For the nine month period ended December 31
(\$'000's)

	Comparison to Budget				
	Year-to-Date (April to December)		Annual Basis (April to March)		
	2011/2012 Actuals	2011/2012 Budget	2011/2012 Forecast	2011/2012 Budget	
				Variance	
SOURCES OF FUNDS					
Net Parliamentary Subsidy	79,007				
Prior Year Carryover	0				
Total Government Funding and Carryover	79,007				
Miscellaneous Revenues					
Strategy and Business Partnerships	2,413				
CRRA	3,039				
Interest and other administration revenues	1,571				
Capital Recoveries	4,797				
Total Miscellaneous Revenues	11,820				
TOTAL SOURCE OF FUNDS	90,827				
APPLICATION OF FUNDS					
Office of the President and CEO	1,184				
Office of the Chairperson and Board of Directors	437				
Branding, Communications and Corporate Affairs	4,802				
Internal Audit	1,196				
Training and Development	2,252				
People and Culture	11,126				
Severance Pay and Other Personnel Costs	12,187				
Dental Plan, EAP and Crisis Management	2,910				
Information Technology	21,050				
Regulatory Affairs	1,350				
Strategy and Business Partnerships	5,025				
General Counsel and Corporate Secretariat	6,716				
Corporate Finance and Administration	10,169				
Insurance, Forms, Taxes, Foreign Exchange, etc.	2,558				
Shared Services	8,204				
International Relations	119				
Ombudsman - Toronto	281				
Ombudsman - Montreal	252				
TOTAL APPLICATION OF FUNDS	91,818				
NET POSITION	(991)				

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Support Activities Results Comments

CAPITAL

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Capital

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2011/2012 Capital Budget Overview as at December 31 2011
 Forecasted expenditures to Year-end
 (\$000's)

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<u>Investment Class</u>	<u>Capital Plan</u>	<u>Forecasted Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>Actual Expenditures to Date</u>	<u>As % of Forecast</u>
Legal and Regulatory					
Mission Critical					
Payback Initiatives					
Growing the Business					
Transmission Strategy					
Efficiency Projects					
Minor Capital					
Corporate Contingency					
Impact of approved plan being higher than available capital (1)					
Total Surplus/(Deficit) Forecast					

<u>Component</u>	<u>Capital Plan</u>	<u>Forecasted Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>Actual Expenditures to Date</u>	<u>As % of Forecast</u>
English Television (ETN)					
French Television (FTN)					
English Radio (ERN)					
French Radio (FRN)					
English New Media (ENM)					
French New Media (FNM)					
Information Technology (IT)					
Real Estate (RE)					
Capital Leases (TBC, HD3 & Telesat Leases)					
Telecommunication					
Transmission Division (T&D)					
Human Resources (HR)					
Corporate Components					
Fleet Management					
Mobile Division					
Minor Capital					
Enterprise Wide (EW):					
<i>Hallifax</i>					
<i>Vancouver Redevelopment</i>					
<i>Vision post go live project</i>					
<i>Media Asset Management</i>					
<i>Newsroom System Project - iNews</i>					
<i>Integrated Search - Autonomy</i>					
<i>Desktop Radio - Permanent Solution</i>					
<i>Other</i>					
Corporate Contingency					
Impact of approved plan being higher than available capital (1)					
TOTAL SURPLUS/(DEFICIT) FORECAST					

* Includes repayment of bonds payable for TBC lease
 % of Available Capital

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2011/2012 Capital Budget Overview as at December 31, 2011 - Notes

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 7

Note 8

Note 9

Note 10

Note 11

Note 12

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CAPITAL INVESTMENT PLAN
Board of Directors Projects > \$5 million (in 000's)
Forecasted Expenditures to Project Completion (including related operating expenditures)

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Project	Project #	Component	Capital Budget Approved by Board Resolutions	Project Gross Expenditures	Project Budget Approved by Board Resolution	Budget Release	Total Forecasted Expenditure	Total Forecasted Surplus (Deficit)
PROJECTS APPROVED								

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CAPITAL INVESTMENT PLAN
Board of Directors Approved Projects > \$5 million - Notes
Forecasted Expenditures to Project Completion (including relayed operating expenditures)

Note 1

Note 2

**Board approved projects with forecasted deficits
as at December 31, 2011**

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Projects	Original Budget Approved by Board Resolution	Total Budget Approved by BOD Resolution	Other sources of funds	Budget Released	Total Forecasted Expenditures at December 31, 2011	Total Forecasted Surplus/ Deficit (including other sources of funds)	Supplemental Funds Required
Total ≤ \$2.0M		0	0	0	-	-	-

At its meeting in September 2009, the Board of Directors approved a new practice for governance and monitoring of variances on Board approved projects. The new practice permits Management to continue activity on Board approved projects with small projected deficits, where the individual project deficits are ≤ 10% and ≤ \$1.5 million, and the total of all small projected deficits does not exceed \$2 million on all active projects.

As of December 31, 2011, there are no projects with deficits that exceed the total budget approved by resolution of the Board of Directors.