

Office of the Intelligence Commissioner

Quarterly Financial Report  
For the Quarter Ended December 31, 2021

TABLE OF CONTENTS

1. Introduction .....1

2. Highlights of Fiscal Quarter and Fiscal Year-to-Date Results.....2

3. Risks and Uncertainties .....4

4. Significant Changes in Relation to Operations, Personnel and Programs .....4

5. Approval by Senior Officials .....4

Appendix A – Statement of Authorities (unaudited).....5

Appendix B – Departmental Budgetary Expenditures by Standard Object (unaudited) .....6

**Office of the Intelligence Commissioner**  
**Quarterly Financial Report**  
**For the quarter ended December 31, 2021**

**Statement Outlining Results, Risks and Significant Changes in Operations, Personnel and Program**

**1. 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. This quarterly report should be read in conjunction with the Main Estimates. This report has not been subject to external audit or review.

The Office of the Intelligence Commissioner (ICO) is an independent oversight body. The mandate of the Intelligence Commissioner (IC) is set out in the *Intelligence Commissioner Act*. The IC is an integral part of the decision-making process for certain national security and intelligence activities before they can be conducted. The IC is responsible for performing quasi-judicial reviews of the conclusions of either the Minister of National Defence or the Minister of Public Safety, and, where applicable, the Director of the Canadian Security Intelligence Service. These conclusions are the basis on which certain authorizations are issued or determinations are made in relation to some activities to be conducted by either the Communications Security Establishment or Canadian Security Intelligence Service.

Further information on the ICO can be found on the [departmental website](#).

**Basis of Presentation**

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the ICO's spending authorities as approved in the Main Estimates for the 2021–22 fiscal year, or received from Treasury Board Central Votes. This quarterly report has been prepared using a special purpose financial reporting framework, 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 appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

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

**Office of the Intelligence Commissioner**  
**Quarterly Financial Report**  
**For the quarter ended December 31, 2021**

**2. Highlights of Fiscal Quarter and Fiscal Year-to-Date Results**

This section highlights the financial results for the fiscal year-to-date and the quarter ended December 31, 2021. It also provides explanations of variances compared with the same period for the previous year that exceed a materiality threshold of \$5 thousand for program expenditures and statutory votes.

Highlights of Fiscal Quarter and Fiscal Year-to-Date Results (in thousands of dollars)

	2021-22 Budgetary authority to March 31, 2022	2020-21 Budgetary authority to March 31, 2021	Variance in budgetary authorities	Year-to-date expenditures as at Q3 2021-22 (Dec 31, 2021)	Year-to-date expenditures as at Q3 2020-21 (Dec 31, 2020)	Variance between year- to-date expenditures
Vote 1 Program Expenditures	2,469	2,073	396	1,061	833	228
Statutory authorities	165	165	-	123	123	-
Total	2,634	2,238	396	1,184	956	228

	2021-22 Q3 expenditures	2020-21 Q3 expenditures	Variance between 2021-22 Q3 and 2020-21 Q3 expenditures
Vote 1 Program Expenditures	237	330	(93)
Statutory authorities	41	41	-
Total	278	371	(93)

**Statement of Authorities**

The authorities available to the ICO at the end of December 2021 were greater than the authorities available at the end of December 2020 by \$396 thousand. The ICO requested and received in 2021-22 a permanent increase in authorities of \$394 thousand to further support the IC in the effective discharge of his legislative mandate.

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

The year-to-date Vote 1 program expenditures, as at December 31, 2021, have increased by \$228 thousand (27%) compared to the same period in the previous year. Statutory payments remained constant.

For the fiscal quarter ended December 31, 2021, Vote 1 program expenditures have decreased by \$93 thousand (28%) compared to the same period in the previous year. Statutory payments have remained constant.

**Office of the Intelligence Commissioner  
Quarterly Financial Report  
For the quarter ended December 31, 2021**

The following table provides an explanation of these changes by standard object.

Standard object	Changes to voted and statutory expenditures	Variance between 2021–22 year-to-date and 2020–21 year-to-date expenditures (April 1 to December 31)	Variance between 2021–22 Q3 and 2020–21 Q3 expenditures (October 1 to December 31)
<b>Vote 1: Program expenditures (\$ thousand)</b>			
1 Personnel	The principle cause of the decrease in both the year-to-date and 3rd quarter costs in the current year from the previous year is a delay in personnel cost billings from other government departments.	(160)	(41)
2 Transportation		(1)	-
3 Information	The decrease in both the year-to-date and 3rd quarter costs in the current year from the previous year resulted from annual report costs in 2020–21 being incurred in the third quarter, as a result of an early release date, as opposed to the 4 <sup>th</sup> quarter.	(11)	(12)
4 Professional Services	The increase in the cost of professional services year-to-date in the current year is due primarily to late billings in 2020–21 by other government departments for ongoing services. The decrease in the cost of professional services in the third quarter of the current year of is due an overall reduction of \$5 thousand across the full range of professional services and the reallocation of information management service costs of \$29 thousand from the third quarter of 2021–22 to the fourth quarter.	258	(34)
5 Rentals	The increase in the rental costs for both year-to-date and third quarter in 2021–22 is due primarily to late billings by another government department for occupancy costs.	220	72
6 Repair and Maintenance	The decrease in both the year-to-date and 3rd quarter costs in the current year resulted from one-time costs of security upgrades in 2020–21.	(77)	(78)

**Office of the Intelligence Commissioner**  
**Quarterly Financial Report**  
**For the quarter ended December 31, 2021**

7 Materials and Supplies		1	-
9 Equipment		(2)	-
Subtotal Vote 1		228	(93)
Statutory expenditures		-	-
Total expenditures		228	(93)

### **3. Risks and Uncertainties**

The ICO will continue to carefully manage its resources in order that the independent quasi-judicial reviews of the conclusions reached by Ministers in issuing certain ministerial authorizations and determinations can continue to be discharged effectively and within the time frames established by the legislation.

### **4. Significant Changes in Relation to Operations, Personnel and Programs**

Other than delays in billings by other government departments for significant expenditure items, there have been no significant changes in relation to operations, personnel and programs during the third quarter.

### **5. Approval by Senior Officials**

Approved by:

Original signed by

\_\_\_\_\_  
The Honourable Jean-Pierre Plouffe, C.D.  
Intelligence Commissioner

Ottawa, Canada  
February 24, 2022

Original signed by

\_\_\_\_\_  
Guylaine A. Dansereau  
Chief Financial Officer

**Office of the Intelligence Commissioner**  
**Quarterly Financial Report**  
**For the quarter ended December 31, 2021**

**Appendix A – Statement of Authorities (unaudited)**

(in thousands of dollars)	<b>Fiscal year 2021–22</b>			<b>Fiscal year 2020–21</b>		
	Total available for use for the year ending March 31, 2022	Used during the quarter ended Dec 31, 2021	Year-to-date used at quarter-end	Total available for use for the year ended March 31, 2021	Used during the quarter ended Dec 31, 2020	Year-to-date used at quarter-end
Vote 1 - Program Expenses	2,469	237	1,061	2,073	330	833
Statutory authorities – Contributions to employee benefit plans	165	41	123	165	41	123
<b>Total Budgetary authorities</b>	<b>2,634</b>	<b>278</b>	<b>1,184</b>	<b>2,238</b>	<b>371</b>	<b>956</b>
<b>Total authorities</b>	<b>2,634</b>	<b>278</b>	<b>1,184</b>	<b>2,238</b>	<b>371</b>	<b>956</b>

**Office of the Intelligence Commissioner**  
**Quarterly Financial Report**  
**For the quarter ended December 31, 2021**

**Appendix B – Departmental Budgetary Expenditures by Standard Object (unaudited)**

(In thousands of dollars)

	<b>Fiscal year 2021–22</b>		
	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended Dec 31, 2021	Year-to-date used at quarter-end
<b>Expenditures:</b>			
Personnel	1,278	178	515
Transportation and communications	42	1	7
Information	25	-	7
Professional and special services	893	15	413
Rentals	305	73	223
Repair and maintenance	53	4	5
Utilities, materials and supplies	26	7	13
Acquisition of land, buildings and works	0	0	0
Acquisition of machinery and equipment	12	0	1
Other subsidies and payments	0	0	0
<b>Total gross budgetary expenditures</b>	<b>2,634</b>	<b>278</b>	<b>1,184</b>
<b>Total net budgetary expenditures</b>	<b>2,634</b>	<b>278</b>	<b>1,184</b>

	<b>Fiscal year 2020–21</b>		
	Planned expenditures for the year ending March 31, 2021	Expended during the quarter ended Dec 31, 2020	Year-to-date used at quarter-end
	1,277	219	675
	35	1	8
	25	12	18
	469	49	155
	310	1	3
	82	82	82
	25	7	12
	0	0	0
	15	0	3
	0	0	0
	<b>2,238</b>	<b>371</b>	<b>956</b>
	<b>2,238</b>	<b>371</b>	<b>956</b>