

Office of the Intelligence Commissioner

Quarterly Financial Report
For the Quarter Ended September 30, 2024

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**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.

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 granted by Parliament and those used by the department, consistent with the Main Estimates for the 2024–25 fiscal year. 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 money 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.

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.

Raison d'être

The Office of the Intelligence Commissioner (ICO) is an independent quasi-judicial agency of the Government of Canada. The ICO supports the fulfillment of the Intelligence Commissioner's oversight mandate as set out in the Intelligence Commissioner Act. The Intelligence Commissioner approves – or does not approve – certain national security and intelligence activities planned by the Communications Security Establishment and the Canadian Security Intelligence Service and authorized by their respective ministers.

A summary description of the ICO core responsibilities can be found in [Part II of the Main Estimates](#). Further information on the ICO's mandate can be found on the [departmental website](#)

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

This section highlights the financial results for the fiscal quarter and fiscal year-to-date ended September 30, 2024. It also provides explanations of variances compared with the

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same period last year that exceed a materiality threshold of \$5,000 for program expenditures and statutory authorities

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

	2024–25 Budgetary authorities to March 31, 2025	2023–24 Budgetary authorities to March 31, 2024	Variance in budgetary authorities	Year-to-date expenditures as at Q2 2024–25 (Sept 30, 2024)	Year-to-date expenditures as at Q2 2023–24 (Sept 30, 2023)	Variance in expenditures
Vote 1 Program Expenditures	2,534	2,502	32	985	1,054	(69)
Statutory authorities	160	171	(11)	80	86	(6)
Total	2,694	2,673	21	1,065	1,140	(75)

	2024–25 Q2 expenditures	2023–24 Q2 expenditures	Variance between 2024–25 Q2 and 2023–24 Q2 expenditures
Vote 1 Program Expenditures	658	448	210
Statutory authorities	40	43	(3)
Total	698	491	207

Statement of Authorities

At the end of the second quarter, September 30, 2024, the ICO budgetary authorities were \$2,694,000 (voted and statutory authorities of \$2,576,000 and operating budget carry forward of \$118,000).

At the end of the second quarter, September 30, 2023, the ICO budgetary authorities were \$2,673,000 (voted and statutory authorities of \$2,555,000 and operating budget carry forward of \$118,000).

The overall authorities increase of \$21,000 is as a result of adjustments – increase and decrease – to salary and employee benefit plan authorities to reflect collective agreements signed in the core public administration.

Statement of Departmental Budgetary Expenditures by Standard Object

For the fiscal quarter ended September 30, 2024, the year-to-date expenditures decreased by \$75,000 (6.5%) compared to the same period in the previous year:

- Vote 1 expenditures decreased by \$69,000; and
- statutory payments decreased by \$6,000.

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For the fiscal quarter ended September 30, 2024, expenditures have increased by \$207,000 (29%) compared to the same period in the previous year:

- Vote 1 expenditures increased by \$210,000; and
- statutory payments decreased by \$3,000.

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

Standard object	Changes to voted and statutory expenditures	Variance between 2024–25 year-to-date and 2023–24 year-to-date expenditures (April 1 to September 30)	Variance between 2024–25 Q2 and 2023–24 Q2 expenditures (July 1 to September 30)
Vote 1: Program expenditures (in thousands of dollars)			
1 Personnel	There was a decrease in personnel costs due to ongoing staffing actions which have resulted in lower year-to-date and 2 nd quarter costs. This decrease has been offset in part by new rates pay and retroactive payments for some groups.	(72)	(24)
2 Transportation and communications		5	1
3 Information	The decreases in year-to-date and 2 nd quarter information services costs were primarily due to moving from paying monthly data access charges to an annual subscription paid at year-end.	(8)	(6)
4 Professional and special services	Year-to date increase is primarily due to an increase in the cost of secure communications. The increase in the 2 nd quarter costs is due to the difference in the timing of the annual payment for secure communications.	12	324
5 Rentals	The decrease in year-to-date costs is due to billing delays (6 months paid in 2023–24; 5 months paid in 2024–25) offset in part by an increase in monthly occupancy charges of \$3,000. The decrease in 2024–25 2 nd quarter costs is due to billing delays. The cost in 2024–25 is for two months; the cost in 2023–24 is for 5 months.	(10)	(91)
9 Equipment		5	5

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Other: (Repair and maintenance and Supplies)		(1)	1
Subtotal Vote 1		(69)	210
Statutory expenditures			
1 Personnel	ICO's share of employee benefit contributions	(6)	(3)
Total		(75)	207

3. Risks and Uncertainties

The ICO's workload is largely demand driven and the ICO does not control the volume, complexity, and timing of files submitted for review. As a result, to maintain its ability to fulfill its mandate and as a micro-agency, the ICO must continue to carefully manage its human and financial resources.

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

There have been no significant changes in relation to operations, personnel, and programs.

5. Approval by Senior Officials

Approved by:

Original signed by

The Honourable Simon Noël, K.C.
Intelligence Commissioner

Ottawa, Canada
November 26, 2024

Original signed by

Justin Dubois
Chief Financial Officer

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Appendix A – Statement of Authorities (unaudited)

(in thousands of dollars)	Fiscal year 2024–25			Fiscal year 2023–24		
	Total available for use for the year ending March 31, 2025	Used during the quarter ended Sept 30, 2024	Year-to-date used at quarter-end	Total available for use for the year ended March 31, 2024	Used during the quarter ended Sept 30, 2023	Year-to-date used at quarter-end
Vote 1 - Program Expenses	2,534	658	985	2,502	448	1,054
Statutory authorities – Contributions to employee benefit plans	160	40	80	171	43	86
Total authorities	2,694	698	1,065	2,673	491	1,140

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

(in thousands of dollars)

	Fiscal year 2024–25			Fiscal year 2023–24		
	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended Sept 30, 2024	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended Sept 30, 2023	Year-to-date used at quarter-end
Expenditures:						
Personnel	1,319	254	508	1,298	281	586
Transportation and communications	27	3	10	27	2	5
Information	30	0	1	30	6	9
Professional and special services	863	379	403	853	55	391
Rentals	325	56	137	320	147	147
Repair and maintenance	100	0	0	100	0	0
Utilities, materials and supplies	20	1	1	25	0	2
Acquisition of land, buildings and works	0	0	0	0	0	0
Acquisition of machinery and equipment	10	5	5	20	0	0
Other subsidies and payments	0	0		0	0	0
Total gross budgetary expenditures	2,694	698	1,065	2,673	491	1,140
Total net budgetary expenditures	2,694	698	1,065	2,673	491	1,140