

Planning and Reporting

Financial Statements

2016-2017 (Future-oriented)

NATIONAL BATTLEFIELDS COMMISSION Statement of Management Responsibility

Responsibility for the compilation, content, and presentation of the accompanying future-oriented financial information for the years ended March 31st, 2016 and 2017 rests with departmental management.

Management is responsible for the information contained in future-oriented financial information and for the process of developing assumptions. Assumptions are based upon information available and known to management as at December 31st, 2015 and reflect current business and economic conditions, and assume a continuation of current governmental priorities and consistency in departmental mandate and strategic objectives. Much of the future-oriented financial information is based on these assumptions, best estimates, and judgment and gives due consideration to materiality. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. However, as with all such assumptions, there is a measure of uncertainty surrounding them. This uncertainty increases as the forecast horizon extends.

The actual results achieved for the fiscal years covered in the accompanying future-oriented financial information will vary from the information presented and the variations may be material.

The Future-oriented Financial Statements for The National Battlefields Commission have not been audited.

The original version was signed by :
Margaret F. Delisle
Chairwoman

Quebec, Canada
January 20, 2016

The original version was signed by :
Paule Veilleux
Director of administration

Quebec, Canada
January 20, 2016

The National Battlefields Commission
 Future-Oriented Statement of Operations (Unaudited)
 For the Year Ending March 31
 (in dollars)

	Forecast Results 2015-16	Planned Results 2016-17
Expenses		
Conservation and Development	2,439,293	2,457,293
Public Education and Services	1,033,227	1,033,227
Internal Services	7,164,536	5,903,787
Total expenses	10,637,056	9,394,307
Revenues		
Parking	1,246,000	1,250,000
Educational activities and welcoming of visitors	470,000	378,000
Rent	192,000	180,000
Other revenues	303,000	102,000
Total revenues	2,211,000	1,910,000
Excess of costs on income (note 5)	250,249	21,210
Net cost of operations before government funding	8,676,305	7,505,517

The accompanying notes form an integral part of the future-oriented statement of operations.

Notes to the Future-Oriented Statement of Operations

1. Methodology and Significant Assumptions

The future-oriented statement of operations has been prepared on the basis of government priorities and departmental plans as described in the Report on Plans and Priorities.

The information in the forecast results for fiscal year 2015–16 is based on actual results as at December, 31st 2015 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the 2016-17 fiscal year.

The main assumptions underlying the forecasts are as follows:

- The department's activities will remain substantially the same as in the previous year.
- Expenses and revenues, including the determination of amounts internal and external to the government, are based on experience. The general historical pattern is expected to continue.
- Estimated year end information for 2015-16 is used as the opening position for the 2016-17 forecasts.

These assumptions are adopted as at December, 31st.

2. Variations and Changes to the Forecast Financial Information

While every attempt has been made to forecast final results for the remainder of 2015–16 and for 2016–17, actual results achieved for both years are likely to vary from the forecast information presented, and this variation could be material.

In preparing this future-oriented statement of operations, the National Battlefields Commission (NBC) has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Factors that could lead to material differences between the future-oriented statement of operations and the historical statement of operations include the following:

- The timing and amount of acquisitions and disposals of property, plant and equipment may affect gains/losses and amortization expense.
- Implementation of new collective agreements.
- Economic conditions may affect the amount of revenue earned.
- Further changes to the operating budget through additional new initiatives or technical adjustments later in the year.

Once the Report on Plans and Priorities is presented, the NBC will not be updating the forecasts for any changes in financial resources made in ensuing supplementary estimates. Variances will be explained in the Departmental Performance Report.

3. Summary of Significant Accounting Policies

The future-oriented statement of operations has been prepared using the Treasury Board Accounting Standard 1.2 that came into effect for the 2011-12 fiscal year and subsequent years, which are based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

a) Expenses

Expenses are recorded on an accrual basis. Expenses for the Department's operations are recorded when goods are received or services are rendered, including employer contributions to health and dental insurance plans and worker's compensation, which are recorded as expenses at their estimated cost. Vacation pay and compensatory leave, as well as severance benefits, are accrued as the benefits are earned by employees under their respective terms of employment.

Expenses also include amortization of tangible capital assets, which are capitalized at their acquisition cost. Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset.

b) Revenues

Revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place.

4. Parliamentary Authorities

The NBC is financed mostly by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the NBC do not parallel financial reporting according to generally accepted accounting principles because authorities are primarily based on cash flow requirements. Items recognized in the future-oriented statement of operations in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, the NBC has different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

a) Reconciliation of net cost of operations to requested authorities (in dollars)

	Forecast Results 2015-16	Planned Results 2016-17
Net cost of operations before government funding	8,676,305	7,505,517
Adjustment for items affecting net cost of operations but not affecting authorities :		
Amortization of tangible capitals assets	(1,032,928)	(1,125,522)
Amortization of deferred charges	(12,488)	(12,488)
Services provided without charge by other departments	(243,145)	(248,008)
Decrease in vacation pay and compensatory leave	36,813	10,000
Decrease in employee future benefits	16,861	17,180
Cost related to the Trust Fund	(262,039)	(30,000)
Non-tax income	2,151,000	1,850,000
Income from the Trust Fund	11,790	8,790
Total items affecting net cost of operations but not affecting authorities	665,864	469,952
Adjustment for items not affecting net cost of operations but affecting authorities :		
Acquisition of tangible assets	4,670,357	841,292
Total items not affecting net cost of operations but affecting authorities	4,670,357	841,292
Current year authorities used	14,012,526	8,816,761

b) Authorities provided and used (in dollars)

	Forecast Results 2015-16	Planned Results 2016-17
Authorities provided :		
Canadian Heritage :		
Operating and capital expenditures	11,356,526	6,461,761
Statutory-Contribution to employee benefit plans	505,000	505,000
Expenditures corresponding to perceived revenues pursuant to sub-section 29.1(1) of the FAA	2,151,000	1,850,000
Current year authorities used	14,012,526	8,816,761

5. The National Battlefields Commission Trust Fund

When the NBC was created, a Trust fund was established for the receipt of moneys from individuals, municipal corporations, provincial governments and others, for the purpose of acquiring and preserving the great historic battlefields in Quebec. Since September 1984, the Trust fund has been governed by subsection 9.1 of the *Act respecting the National Battlefields in Quebec*, which authorizes such amounts to be spent for the purpose for which they were given to the NBC. The income and cost are included in the future-oriented Statement of Operations of the NBC and are detailed as follows:

	Forecast Results 2015-16	Planned Results 2016-17
	(in dollars)	
Cost		
Acquisition of tangible capital assets	229,039	0
Amortization of tangible capital assets	49,004	57,261
Professional services	33,000	30,000
Total of cost	311,043	87,261
Revenues		
Interest	3,290	3,290
Miscellaneous	8,500	5,500
Total of revenues	11,790	8,790
Adjustment for items not affecting authorities:		
Amortization of tangible capital assets	49 004	57 261
Excess of cost on income	250,249	21,210
Balance at beginning of the year	784,493	534,244
Balance at end of year, deposited with the Receiver General for Canada	534,244	513,034