

NATIONAL BATTLEFIELDS COMMISSION

Statement of management responsibility

Future-oriented statement of operations (unaudited)

For the years ending March 31, 2021 and March 31, 2022

Responsibility for the compilation, content, and presentation of the accompanying future-oriented financial information for the years ended March 31, 2021 and 2022 rests with departmental management.

Management is responsible for the information contained in future-oriented financial information and for the process of developing assumptions. Assumptions were adopted as of November 30, 2020 and reflects the plans described in the Departmental Plans; they reflect current economic conditions and operational context, and assume a continuation of current governmental priorities, 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 statement of operations for the National Battlefields Commission (Commission) have not been audited.

The original version was signed by :

Julie Carignan
Financial Resources Assistant

The original version was signed by :

Bernard Laquerre
Acting Secretary-director general

Quebec City, Quebec
December 9, 2020

Quebec City, Quebec
December 9, 2020

NATIONAL BATTLEFIELDS COMMISSION

Future-oriented statement of operations (unaudited) for the year ending March 31 (in dollars)

	Forecast results 2020-21	Planned results 2021-22
Program expenses		
Conservation	2,404,713	2,692,250
Promotion of heritage	1,033,008	1,312,005
Internal services	7,755,044	7,143,458
Total expenses	11,192,765	11,147,713
Revenues		
Parkings	670,320	1,531,990
Admission fees to the Plains of Abraham Museum and animation activities	191,235	678,460
Rents	80,955	115,700
Others	185,490	309,711
Total revenues	1,128,000	2,635,861
Excess of income on costs of Trust fund (note 5)	(22,348)	(22,495)
Net cost of operations before government funding and transfers	10,042,417	8,489,537

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

NATIONAL BATTLEFIELDS COMMISSION

Notes to the future-oriented statement of operations (unaudited)

for the year ending March 31

1. Authority and objectives

The Commission was established in 1908 under the *An Act respecting the National Battlefields at Quebec*. The Commission is a corporation listed on Schedule II of the *Financial Administration Act* (FAA).

The mission of the Commission is to ensure that all the cultural, recreational and natural resources of the National Battlefields Park are developed in the best interest of Canadians and that the image of the Canadian government is strengthened without compromising the historical character of the site. To do so, it must acquire, preserve and develop the great historic battlefields of Quebec.

The territory of the National Battlefields Park administered by the Commission includes:

- the Plains of Abraham, site of the 1759 battle between generals Wolfe and Montcalm;
- the Des Braves Park, witness to the Battle of Sainte-Foy in 1760;
- the Pierre-Dugua-de Mons terrace east of the Citadelle of Quebec overlooking Cap-aux-Diamants;
- the Plains of Abraham Museum, located on Wilfrid-Laurier Avenue;
- the Maison Louis S. St-Laurent, located at 201-203, Grande Allée Est in Quebec City;
- the adjacent traffic lanes, two Martello towers on the Plains of Abraham and a Martello tower in Quebec City.

2. Methodology and significant assumptions

The future-oriented statement of operations has been prepared on the basis of government priorities as described in the Departmental Plan. The information in the forecast results for fiscal year 2020-21 is based on actual results as at November 30, 2020 and on forecasts for the remainder of the fiscal year. Forecasts have been established for the planned results for the 2021-22 fiscal year.

The main assumptions underlying the forecasts are as follows:

- the Commission 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 trends. The general historical pattern is expected to continue.

These assumptions were adopted as of November 30, 2020.

3. Variations and changes to the forecast financial information

While every attempt has been made to forecast final results for the remainder of fiscal year 2020-21 and for 2021-22, 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, the Commission has established estimates and assumptions concerning future events. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on historical trends and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

NATIONAL BATTLEFIELDS COMMISSION
Notes to the future-oriented statement of operations (unaudited)
for the year ending March 31

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

- the timing and the amount of acquisitions and disposals of tangible capital assets may affect gains or losses and amortization expense;
- implementation of new collective agreements;
- economic conditions that may affect both the amount of revenue earned;
- further changes to the operating budget through additional, new initiatives, or technical adjustments later in the fiscal year.

Once the Departmental Plan is presented in Parliament, the Commission will not be updating the forecasts for any changes to appropriations of forecast financial information made in ensuing supplementary estimates. Variances will be explained in the Departmental Results Report.

4. Summary of significant accounting policies

The future-oriented financial statement of operations has been prepared using the Government of Canada's accounting policies in effect for the 2020-21 fiscal year, 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

The Commission's expenses are recorded when goods are received or services are rendered and include expenses related to personnel, professional and special services, repair and maintenance, utilities, materials and supplies, as well as amortization of tangible capital assets.

b) Revenues

Revenues from regulatory fees are recognized based on the services provided in the fiscal year.

Funds received from external parties for specified purposes are recorded upon receipt as deferred revenue. These revenues are recognized in the period in which the related expenses are incurred.

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

NATIONAL BATTLEFIELDS COMMISSION
Notes to the future-oriented statement of operations (unaudited)
for the year ending March 31

5. Parliamentary authorities

The Commission is financed mostly by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the Commission may differ from financial reporting according to generally accepted accounting principles because authorities are based mainly 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 Commission 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

	Forecast Results 2020-21	Planned results 2021-22
	(in dollars)	
Net cost of operations before government funding and transfers	10,042,417	8,489,357
Adjustments for items affecting net cost of operations but not affecting authorities :		
Amortization of tangible capitals assets	(1,106,064)	(1,096,937)
Services provided without charge by other departments	(250,000)	(250,000)
Decrease in vacation pay and compensatory leave	8,533	8,663
Decrease in employee future benefits	2,589	0
Cost related to the Commission trust fund	(2,000)	(2,000)
Non-tax income	1,078,000	2,585,861
Income from the Commission trust fund	24,348	24,495
Total items affecting net cost of operations but not affecting authorities	(244,594)	(1,270,082)
Adjustment for items not affecting net cost of operations but affecting authorities :		
Acquisition of tangible capital assets	0	0
Total items not affecting net cost of operations but affecting authorities	0	0
Requested authorities intended for use	9,797,823	9,759,439

NATIONAL BATTLEFIELDS COMMISSION
Notes to the future-oriented statement of operations (unaudited)
for the year ending March 31

b) Authorities requested

	Forecast Results 2021	Planned Results 2022
	(in dollars)	
Authorities requested:		
Canadian Heritage :		
Operating expenditures	7,091,303	6,622,665
Unused parliamentary authorities	0	0
	<hr/> 7,091,303	<hr/> 6,622,655
Statutory-contribution to employee benefit plans	516,192	550,913
Expenditures corresponding to sub-section 29.1(1) of the FAA	1,078,000	2,585,861
Expenditures pursuant to the Public Health Events of National Concern Act	1,112,328	0
	<hr/> 1,112,328	<hr/> 0
Authorities requested	<hr/> 9,797,823	<hr/> 9,759,439

6. The National Battlefields Commission Trust fund

When the Commission 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 Commission. The income and cost are included in the future-oriented statement of operations of the Commission and are detailed as follows:

	Forecast results 2021	Planned results 2022
	(in dollars)	
Cost		
Amortization of tangible capital assets	3,048	3,048
Professional services	2,000	2,000
Total of cost	<hr/> 5,048	<hr/> 5,048
Revenues		
Interest	11,848	11,995
Miscellaneous	12,500	12,500
Total of revenues	<hr/> 24,348	<hr/> 24,495
Adjustments for items not affecting authorities:		
Amortization of tangible capital assets	3,048	3,048
Excess of income on costs of the Trust fund	<hr/> (22,348)	<hr/> (22,495)
Balance at beginning of the year	1,308,432	1,330,780
Balance at end of year	<hr/> 1,330,780	<hr/> 1,353,275

NATIONAL BATTLEFIELDS COMMISSION
Notes to the future-oriented statement of operations (unaudited)
for the year ending March 31

7. Impacts of the global coronavirus pandemic (COVID-19)

On March 11, 2020, the World Health Organization declared a global pandemic following the emergence of a new, highly contagious form of the coronavirus. Since then, this situation has been constantly evolving and the measures in place have numerous economic impacts on a global scale.

As soon as the pandemic was announced, the Commission took action to limit the spread of COVID-19 and reduce risks to park users and employees, according to the advice of public health experts. Principally, Plains of Abraham Museum was closed and public events were canceled, including festivals, and cultural and sporting events held on Commission sites. It has also adopted digital alternatives for teleworking employees and for virtual educational activities, and postponed its advertising and promotional campaigns, while providing essential services for maintaining a safe park. The Commission has also installed displays in the park and redesigned workplaces and public places to remind employees and users of physical distancing instructions.

The impact of these changes on the operations of the Commission remains uncertain for the rest of fiscal year 2020-21 and for fiscal year 2021-22, since after the gradual resumption of activities at the end of May 2020 and the reopening of the Plains of Abraham Museum on June 26, 2020, new instructions were issued on September 29, 2020, forcing a second closure of the museum. As the situation evolves, the Commission continues to follow the directives of government authorities by prioritizing the health and safety of users and employees.

The gap between the forecasted revenues for 2020-21 and the forecasted revenues for 2021-22 is explained by the impact of the pandemic. The Commission forecasts its future revenues based on the historical experience preceding this exceptional situation, since it is not possible to reliably estimate the duration and severity of the impact on the financial situation and financial results over future periods.