

THE NATIONAL BATTLEFIELDS COMMISSION

Quarterly Financial Report

For the quarter ended June 30, 2018 (revised)

Statement outlining results, risks and significant changes in operations, personnel and programs

Errata

Date : October 29, 2018

Location : Table of Expenditures by standard object

Review : Added columns for expenditures Planned for the year for current year, prior year, and variance

Reason for the review : Omission in the initial financial report

Introduction

This quarterly financial report has been prepared by management of the Commission as required by section 65.1 of the Financial Administration Act and in the form and manner prescribed by the Treasury Board. This financial report should be read in conjunction with the [2018-2019 Main Estimates](#). This financial report has not been subject to an external audit or review.

Raison d'être

The National Battlefields Commission (the Commission), as manager of Battlefields Park, makes it possible for Canadians to enjoy Canada's first national historic park and one of the most prestigious urban parks in the world. The Commission is responsible for the administration, management, conservation and development of National Battlefields Park (located in the city of Quebec) and manages the funding allocated for this purpose. The Commission takes its mandate from the National Battlefields at Quebec Act, passed on March 17, 1908, and its amendments. The Commission is a departmental corporation listed in Schedule II of the Financial Administration Act. The Minister of Canadian Heritage and Multiculturalism is responsible for this organization.

The Commission has two core responsibilities: Conservation and Promotion of Heritage, in addition to internal services. Additional information on the mandate, roles, responsibilities and programs of the Commission can be found in the Commission's [2018-19 Departmental Plan](#).

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Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Commission's spending authorities granted by Parliament, and those used by the Commission consistent with the Main Estimates for the 2018-2019 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 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 Commission uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

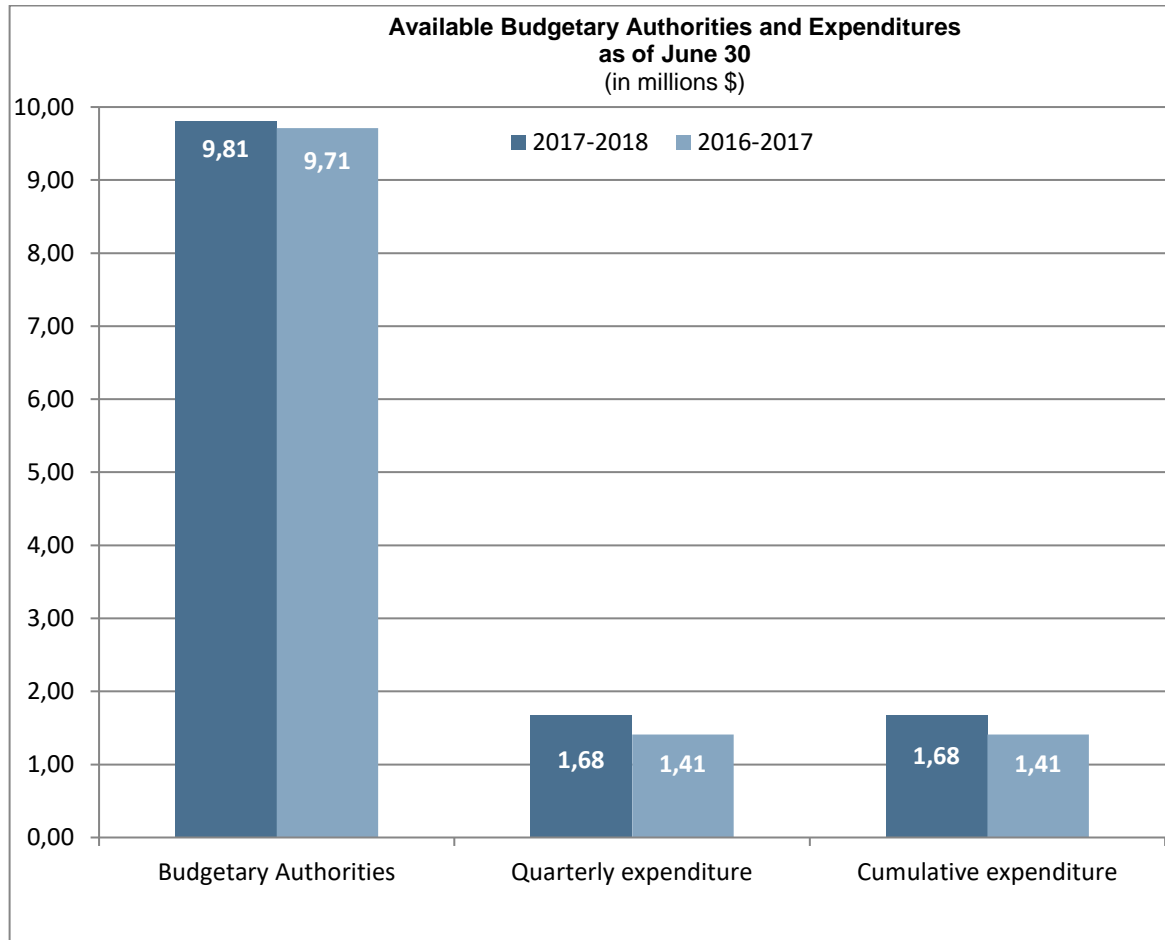
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Highlights of fiscal quarter and fiscal year to date results

This section highlights the significant items that contributed to the slight increase in resources available for the year and the increase in actual expenditures for the quarter ended June 30, 2018. The graph below outlines the budgetary authorities and the expenditures variations. More details on these variations can be found in the following sections.



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Authorities' variations

As at June 30, 2018, total usable budgetary authorities for the year increased by \$ 0.10 million compared to the same quarter last year, from \$ 9.71 million to \$ 9.81 million. This increase is due to an increase of \$ 0.15 million in Statutory Authorities, the expenses to be covered by the Commission revenues, and an increase of \$ 0.06 million in employee benefit plan (EBP), combined with a \$ 0.11 million decrease in spending on health and safety investment projects.

Statement of authorities as at June 30 * (in thousand of dollars)	2018-2019			2017-2018			Variance		
	Total available for use for the year ending March 31, 2019	Used during the quarter ended June 30, 2018	Year-to-date used at quarter end	Total available for use for the year ending March 31, 2018	Used during the quarter ended June 30, 2017	Year-to-date used at quarter end	Total available for use	Used during the quarter	Year-to-date used
Program expenditures	7 470	841	841	7 521	834	834	-51	7	7
Contributions to employee benefit plans	342	97	97	343	86	86	-1	11	11
Expenditures pursuant to subsection 29.1(1) of the Financial Administration Act	2 000	747	747	1 850	496	496	150	251	251
Total authorisations	9 812	1 685	1 685	9 714	1 416	1 416	98	269	269

* Includes only Authorities available for use and granted by Parliament at quarter end.

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Expenditures variations

Compared to the previous year, total expenditures recorded at the end of the quarter ending June 30, 2018, increased by \$0.27 million, from \$1.41 million to \$1.68 million, an increase of 19 %. The cumulative expenditures in the first quarter represent 17% of the authorizations compared to 14% as of June 30, 2017.

This variance can be explained by the following elements:

- The most significant increase is in the personal standard object, which increased by \$ 0.17 million, mainly due to retroactive payments following the signing of the current collective agreement and the increase in number of visitors for the interpretation activities, thus creating needs for operating the Promotion of Heritage program.
- In the standard object of acquisition of land, buildings and works, the Commission spent \$ 0.13 million more than the previous year on that date. These are the planned costs for one of the health and safety investment projects, namely the new administration offices. This project ended with the relocation of employees on June 26, 2018.
- Another Commission investment project continued in the first quarter of the year in the Conservation program, surveillance cameras acquisition, phase 1, a security measure implemented under the G7 summit held in early June. This explains the increase in the acquisition of machinery and equipment for an amount of \$ 0.03 million
- These increases are offset by decreases of \$ 0.04 million in each of the 'information' and 'repair and maintenance' items and are due to payments made in July 2018 rather than June last year, causing a shift that will be mitigated in the next quarter. Residual difference from other line items showed slight non-significant changes for total increase of \$ 0.02 million.

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Expenditures by standard object	2018-2019			2017-2018			Variance		
	Planned for the year ending March 31, 2019	Expended during the quarter ended September 30, 2018	Year-to-date used at quarter-end	Planned for the year ending March 31, 2018	Expended during the quarter ended September 30, 2017	Year-to-date used at quarter-end	Planned for the year	Expended during the quarter	Year-to-date used
Personnel	4 090	1 207	1 207	2 529	1 038	1 038	1 561	169	169
Transportation and communications	119	18	18	140	11	11	-21	7	7
Information	233	13	13	317	50	50	-84	-37	-37
Professional and special services	855	97	97	740	106	106	115	-9	-9
Rentals	80	6	6	100	11	11	-20	-5	-5
Purchased repair and maintenance	672	16	16	936	60	60	-264	-44	-44
Utilities, materials and supplies	695	146	146	890	131	131	-195	15	15
Acquisition of land, buildings and works	318	136	136	1 200	6	6	-882	130	130
Acquisition of machinery and equipment	127	44	44	246	3	3	-119	41	41
Transfer payments	0	0	0	0	0	0	0	0	0
Other subsidies and payments	2 623	2	2	2 616	0	0	7	2	2
Total expenditures	9 812	1 685	1 685	9 714	1 416	1 416	98	269	269

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Risks and Uncertainties

The main financial risk for the Commission is to meet its revenue forecasts coming from parking lots, activities and museum admissions. As at June 30, 2018, since the summer season is not over, the Commission is not able to confirm if it will exceed its target of \$ 2.00 M as statutory funding for the current fiscal. It should be noted that revenues are spent annually to cover 90% of the Promotion of Heritage program spending, 10% of the Conservation program expenditures, and 10% of internal services projects.

The following are additional risks and uncertainties assumed by the Commission and the management strategies adopted to address them:

- Bad weather, poor economic and social conditions
 - Promotional efforts to increase and diversify clientele
 - Development of new partnerships

- Budget reduction measures and new financial pressures
 - Rigorous budget control
 - Monitoring of services expenses in order to revise budgets and priorities in a timely manner.

- Accidents in Park and damage to NBC property
 - High-quality general Park maintenance
 - Regular repair work
 - Prevention and patrols of grounds by Security Service

- Imbalance between Park's historical and urban missions
 - Thoroughly analyze each land use request, based on Land Use Policy
 - Favour activities organized by the NBC that are linked to its mandate.
 - Ensure users can enjoy the Plains with few obstacles or activities by external organizers.
 - Rigorous monitoring of grounds to ensure greater respect for the site

- Environmental impacts and nuisances to users during construction work in the Park and its surroundings
 - Constant monitoring during construction
 - Regular meetings with involved parties
 - Implementation of mitigation measures to protect Park and reduce nuisances for users

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Significant changes in relation to operations, personnel and programs

For the 2018–2019 year, a \$0.99 million has been allocated for health and safety investment projects on the territory of the Commission, to renovate Martello Towers, Louis S. St-Laurent House, administration offices and a portion of the road network. These projects have been completed or will be as planned. There are no significant changes to operations, personnel and programs in the first quarter of 2018-2019.

Approval by Senior Officials

Approved by:

The original version was signed by
Julie Carignan, October 29, 2018

The original version was signed by
Bernard Laquerre, October 29, 2018

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October 29, 2018 for the revised version