

NATIONAL BATTLEFIELDS COMMISSION

Quarterly financial report

For the quarter ended June 30, 2022

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

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 financial report should be read in conjunction with the [2022–23 Main Estimates](#). This quarterly report has not been subject to an external audit or review.

Mandate and program activities

The National Battlefields Commission (the Commission), as manager of Battlefields Park, makes it possible for Canadians to enjoy the first national historic park in Canada and one of the most prestigious urban parks in the world. The Commission is responsible for the administration, management, conservation and promotion of Battlefields Park (located in Quebec City) and manages funds allocated for those purposes. The Commission takes its mandate from the *Act respecting the National Battlefields at Québec*, passed on March 17, 1908, and its amendments. The Commission is a departmental corporation under Schedule II of the *Financial Administration Act*. The Minister of Canadian Heritage is responsible for this organization.

The Commission has two program activities: promotion of heritage and conservation, and internal services. Additional information on the Commission's mandate, roles, responsibilities and programs can be found in the [2022–23 Departmental Plan](#).

Basis of presentation

This quarterly financial 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 in a manner consistent with the Main Estimates for the 2022–23 fiscal year.

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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 monies 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 which are part of the departmental results reporting process. However, the spending authorities voted by Parliament are prepared on an expenditure basis of accounting.

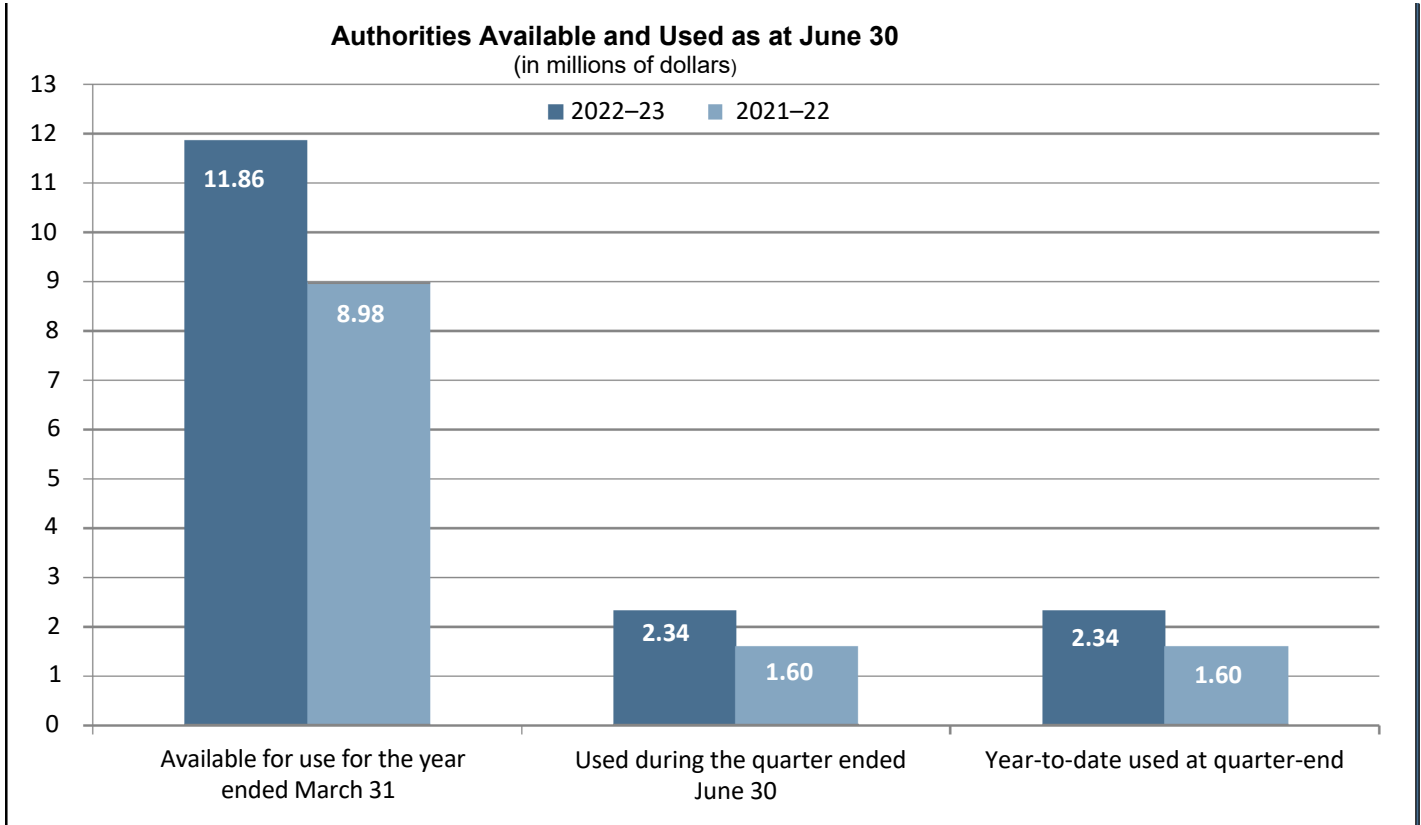
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Highlights of fiscal quarter and fiscal year-to-date (YTD) results

This section highlights the significant items that contributed to changes in authorities **available for use for the year**, as well as quarterly and year-to-date expenditures for the quarter ended June 30, 2022. The following graph provides an overview of variations in available authorities and expenditures. Additional details on these variations can be found in the following sections.



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Variance in authorities

As at June 30, 2022, the Commission's total authorities available for fiscal year 2022–23 increased by \$2.88M compared with the same quarter last year, from \$8.98M to \$11.86M, an increase of 32%.

In Budget 2021, authorities of \$2.5M for salary expenditures and \$0.38M for employee benefit plans were provided to the Commission on an ongoing basis to address program integrity issues related to salaries. In 2022–23, this grant allows the Commission to reallocate expenditures pursuant to paragraph 29.1(1) of the *Financial Administration Act*, i.e., expenditures possible through its revenues, to program expenditures in promotion of heritage and conservation, and internal services, thereby addressing some of its funding issues.

Statement of authorities as at June 30 (in thousands of dollars)	2022–23			2021–22			Variance		
	Total available for use for the year ended March 31, 2022	Used during the quarter ended June 30, 2022	Year-to-date used at quarter-end	Total available for use for the year ended March 31, 2021	Used during the quarter ended June 30, 2021	Year-to-date used at quarter-end	Total available	Used during the quarter	Year-to-date used
Program expenditures	9,127	2,136	2,136	6,623	1,034	1,034	2,504	1,102	1,102
Contributions to employee benefit plans	734	183	183	354	89	89	380	94	94
Expenditures pursuant to paragraph 29.1(1) of the <i>Financial Administration Act</i>	2,000	21	21	2,000	476	476	-	(455)	(455)
Total authorities	11,861	2,340	2,340	8,977	1,599	1,599	2,884	741	741

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Variance in expenditures

Compared with the previous year, total expenditures recorded at the end of the quarter ended June 30 increased by \$0.74M, from \$1.60M to \$2.34M, an increase of 46%. First quarter expenditures represent 20% of authorities available compared with 18% as at June 30, 2021.

The most significant change is in the “acquisition of machinery and equipment” standard object, where expenditures of \$0.34M were recorded, compared with \$0.02M at the same time last year. During the quarter, the Commission continued to renew its fleet of vehicles for fleet maintenance operations, including the purchase of electric vehicles. The Commission also continued to install fibre optics, which began in the previous year. In addition, heating and fire protection system replacements at the Plains of Abraham Museum resulted in equipment purchases.

A second significant change is in the “personnel” standard object, which increased by \$0.18M, explained in part by the return to the level of activity without health restrictions, and in part by the increases in benefits calculated by the Treasury Board Secretariat.

In a number of expense items, the recovery in activity was reflected in increased spending, particularly in communications and advertising activities, as well as the Great Celebration of Nature and performances at the Edwin Bélanger Bandstand, which had been cancelled in the first quarter of the previous year.

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Expenditures by standard object	2022-23			2021-22			Variance		
	Planned expenditures for the year ended March 31, 2022	Expended during the quarter ended June 30, 2022	Year-to-date used at quarter-end	Planned expenditures for the year ended March 31, 2021	Expended during the quarter ended June 30, 2021	Year-to-date used at quarter-end	Planned	Quarterly	Cumulative
Personnel	5,626	1,389	1,389	4,247	1,211	1,211	1,379	178	178
Transportation and communications	120	21	21	120	15	15	-	6	6
Information	290	102	102	275	14	14	15	88	88
Professional and special services	1,000	225	225	600	126	126	400	99	99
Rental	80	15	15	80	3	3	-	12	12
Repair and maintenance	1,000	63	63	478	72	72	522	(9)	(9)
Utilities, materials and supplies	500	150	150	484	103	103	16	47	47
Acquisition of land, buildings and works	150	-	-	-	-	-	150	-	-
Acquisition of machinery and equipment	500	343	343	-	2	2	500	341	341
Transfer payments	-	-	-	-	-	-	-	-	-
Other subsidies and payments	2,595	32	32	2,693	53	53	(98)	(21)	(21)
Total expenditures	11,861	2,340	2,340	8,977	1,599	1,599	2,884	741	741

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Risks and uncertainties

The main financial risk for the Commission is not reaching its projected revenues from parking, interpretive activities and admissions to the Plains of Abraham Museum. Since the beginning of the pandemic in 2020, health restrictions have had an impact on the Commission's revenues. In 2021–22, in order to mitigate the financial pressures caused by the pandemic, since the Commission had to endure closures of the Plains of Abraham Museum and the cancellation of public events held on its sites, including festivals and cultural and sporting events, it was able to benefit from a one-time assistance of \$2M. In 2022–23, the Commission intends to take advantage of the economic recovery, but is not in a position to say that it will reach its pre-pandemic revenue level. For reference, for the first quarter of 2022–23, it recorded 76% of the revenues generated in the first quarter of 2019–20.

Other risks and uncertainties assumed by the Commission and the management strategies adopted to address them include:

- Poor weather, economic and social conditions:
 - Promotional efforts to increase and diversify clientele;
 - Development of new partnerships.
- Budgetary constraints related to operating expenditures:
 - Strict budget control;
 - Review of funding structure;
 - Strengthen relationships with stakeholders in the budget process.
- Accidents in the park and damage to Commission property:
 - High quality general maintenance of the premises;
 - Regular repair work;
 - Field prevention and security patrols.
- Imbalance between historic and urban park uses:
 - Rigorous analysis of all land use requests under the *Land Use Policy* to ensure that users can enjoy the park without undue interference or externally organized activities;
 - Support for activities organized by the Commission that relate to its mandate;
 - Strict monitoring in the field to ensure site compliance.
- Environmental consequences and disturbance to users during construction work in and around the park:
 - Constant monitoring during construction;
 - Regular meetings with relevant authorities;
 - Implementation of mitigation measures to protect the park and reduce disturbance to users.

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Significant changes in relation to operations, personnel and programs

No significant changes related to operations, personnel or programs occurred in the first quarter of 2022–23. The Commission implemented its operations and programs as it did before the pandemic, and the process of having employees who had been teleworking return to their work sites was initiated. The Commission is continuing to follow government and public health directives by prioritizing the health and safety of users and employees, and carefully assessing the impact of the pandemic on its programs and operations.

Approval by senior officials

Approved by:



Annie Talbot
Secretary and CEO
August 5, 2022



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cn=Laquerre, Bernard
Date : 2022.08.05 12:54:41 -0400'

Bernard Laquerre
Chief Financial Officer
August 5, 2022