

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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

### Table of Contents

- Introduction
- Basis of presentation
- Highlights of the fiscal quarter and fiscal year-to-date results
- Risks and uncertainties
- Significant changes in relation to operations, personnel and programs
- Approval by senior officials
- Appendix

### 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 Directive on Accounting Standards: GC 4400 Departmental Quarterly Financial Report. This quarterly financial report should be read in conjunction with the [2024–2025 Main Estimates](#).

This quarterly report has not been subject to an external audit or review.

The National Security and Intelligence Review Agency (NSIRA) is an independent external review body that reports to Parliament. Established in July 2019, NSIRA reviews Government of Canada national security and intelligence activities to assess whether they are lawful, reasonable, and necessary. The Agency also investigates complaints from members of the public on the activities of the Canadian Security Intelligence Service (CSIS), the Communications Security Establishment (CSE), the Royal Canadian Mounted Police (RCMP), as well as certain other national security-related complaints, independently and in a timely manner.

The NSIRA Secretariat supports the Agency in the delivery of its mandate. Independent scrutiny contributes to strengthening the accountability framework for national security and intelligence activities and to enhancing public

# **National Security and Intelligence Review Agency Secretariat**

## **Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024**

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confidence. Ministers and Canadians are informed whether national security and intelligence activities undertaken by Government of Canada institutions are lawful, reasonable, and necessary

A summary description of NSIRA's program activities can be found in [Part II of the Main Estimates](#). Information on [NSIRA's mandate](#) can be found on its website.

### **Basis of presentation**

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the secretariat's spending authorities granted by Parliament and those used by the secretariat, consistent with the 2024–2025 Main Estimates. This quarterly report has been prepared using a special-purpose financial reporting framework (cash basis) 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 authorities for specific purposes.

The Secretariat 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.

### **Highlights of the fiscal quarter and fiscal year-to-date results**

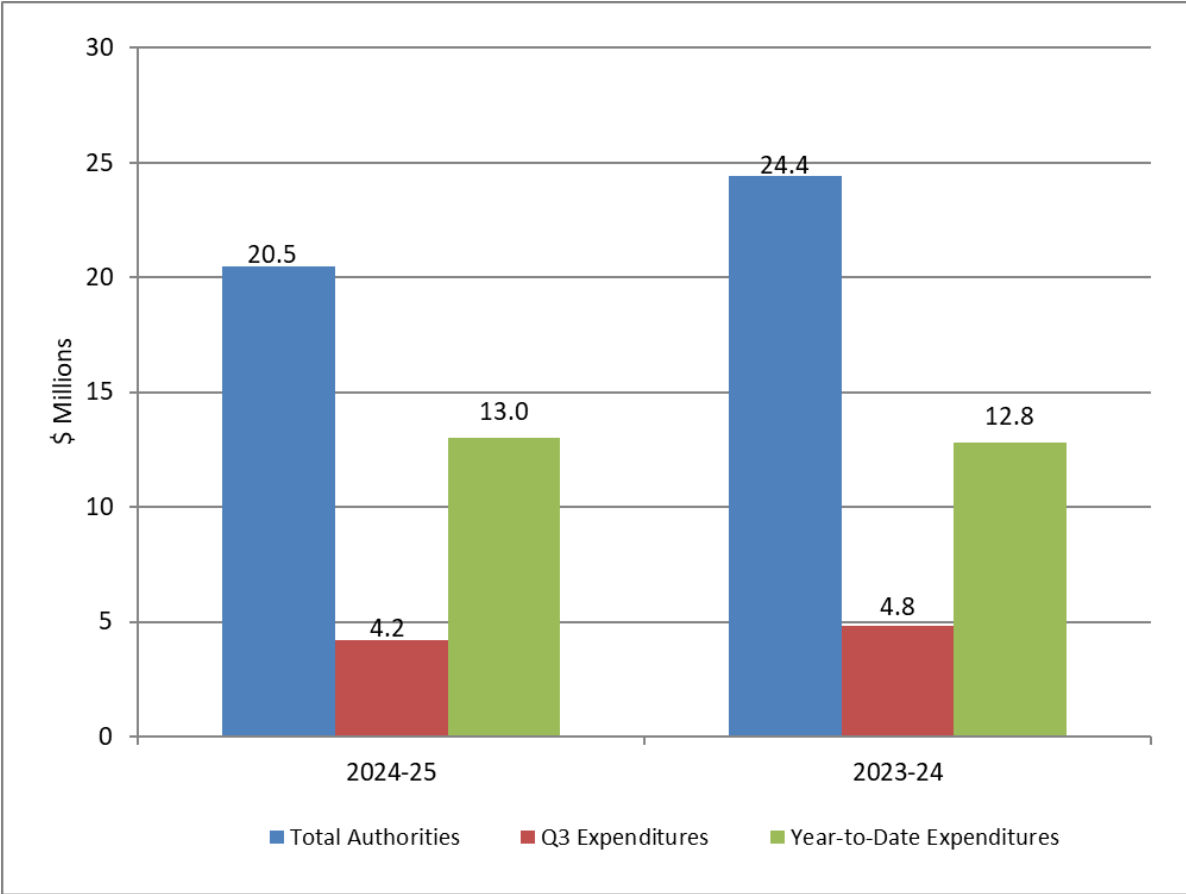
This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year and actual expenditures for the quarter ended December 31, 2024.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

NSIRA Secretariat spent approximately 63% of its authorities by the end of the third quarter, compared with 52% in the same quarter of 2023–2024 (see graph 1).

**Graph 1: Comparison of total authorities and total net budgetary expenditures, Q3 2024–2025 and Q3 2023–2024 (in millions of dollars)**



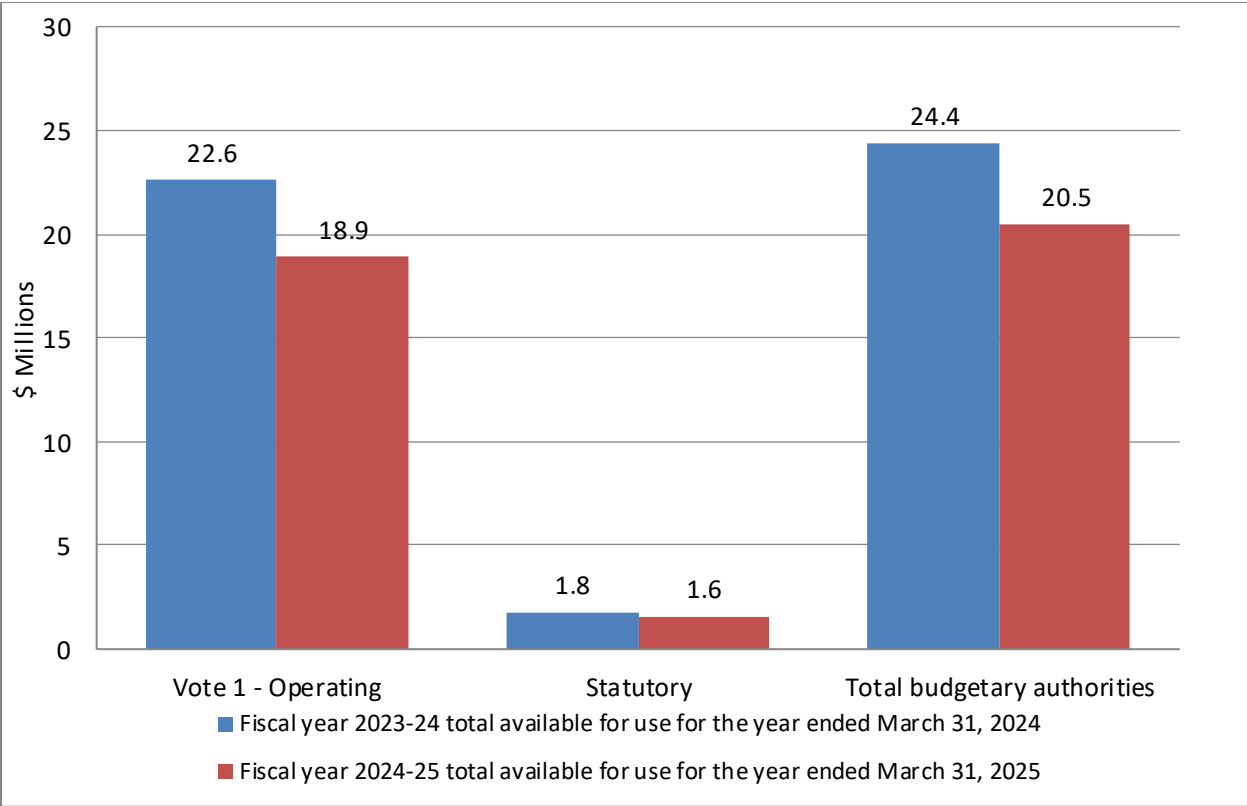
### Significant changes to authorities

As of December 31, 2024, Parliament had approved \$20.5 million in total authorities for use by NSIRA Secretariat for 2024–2025 compared with \$24.4 million as of December 31, 2023, for a net decrease of \$3.9 million or 16.1% (see graph 2).

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

**Graph 2: Variance in authorities as at December 31, 2024 (in millions of dollars)**



*Details may not sum to totals due to rounding*

The decrease of \$3.9 million in authorities is mostly due to the end of several infrastructure projects that had required substantial funding in 2023-2024. No equivalent projects have been planned for 2024-2025, leading to a natural decrease in the authorizations allocated to this expenditure.

### Significant changes to quarter expenditures

The third quarter expenditures totalled \$4.2 million for a decrease of \$0.6 million compared to \$4.8 million spent during the same period in 2023–2024. Table 1 presents budgetary expenditures by standard object.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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Table 1: Departmental budgetary expenditures by Standard Object (*unaudited*)

### Fiscal year 2024-2025 (in thousands of dollars)

Variations in expenditures by standard object	Fiscal year 2024-2025: expended during the quarter ended December 31, 2024	Fiscal year 2023-2024: expended during the quarter ended December 31, 2023	Variance \$	Variance %
Personnel	3,584	2,866	718	25%
Transportation and communications	131	110	21	19%
Information	15	1	14	1400%
Professional and special services	437	486	(49)	(10%)
Rentals	40	78	(38)	(49%)
Repair and maintenance	27	1,161	(1,134)	(98%)
Utilities, materials, and supplies	(11)	(1)	(10)	1000%
Acquisition of machinery and equipment	0	83	(83)	(100%)
Other subsidies and payments	15	(33)	48	(145%)
<b>Total gross budgetary expenditures</b>	<b>4,238</b>	<b>4,751</b>	<b>(513)</b>	<b>(11%)</b>

*\*Details may not sum to totals due to rounding*

#### *Personnel*

The increase of \$718,000 is attributable to the addition of FTEs to meet increased demand, and to higher average salaries as a result of collective bargaining increases.

#### *Information*

The increase of \$14,000 is explained by a one-time purchase of name plates and the hiring of a communications consultant.

#### *Rentals*

The decrease of \$38,000 is explained by a decrease in software maintenance fees.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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### *Repair and maintenance*

The decrease of \$1,134,000 is due to invoices related to a capital infrastructure project that was completed in 2023-24.

### *Acquisition of machinery and equipment*

The decrease of \$83,000 is explained by one-time purchases of application software and device lockers in 2023-24.

### *Other subsidies and payments*

The increase of \$48,000 is explained by a change in the timing of salary overpayment recoveries.

## **Significant changes to year-to-date expenditures**

The year-to-date expenditures totalled \$13.0 million for an increase of \$0.2 million (1%) compared to \$12.8 million spent during the same period in 2023-2024. Table 2 presents budgetary expenditures by standard object.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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Table 2: Departmental budgetary expenditures by Standard Object (*unaudited*) (continued)

Fiscal year 2024-2025 (in thousands of dollars)

Variations in expenditures by standard object (in thousands of dollars)	Fiscal year 2024-25: year-to-date expenditures as of December 31, 2024	Fiscal year 2023-24: year-to-date expenditures as of December 31, 2023	Variance \$	Variance %
Personnel	10,448	8,766	1,682	19%
Transportation and communications	266	302	(36)	(12%)
Information	28	5	23	460%
Professional and special services	2,026	2,155	(129)	(6%)
Rentals	82	151	(69)	(46%)
Repair and maintenance	67	1,188	(1,121)	(94%)
Utilities, materials and supplies	29	56	(27)	(48%)
Acquisition of machinery and equipment	20	135	(115)	(85%)
Other subsidies and payments	56	89	(33)	(37%)
<b>Total gross budgetary expenditures</b>	<b>13,022</b>	<b>12,847</b>	<b>175</b>	<b>1%</b>

### *Personnel*

The increase of \$1,682,000 reflects management's decision to increase FTEs to enhance operational capacity in response to greater demand for output. It is also a result of an increase in average salary due to alignment with increases approved as part of collective bargaining.

### *Information*

The increase of \$23,000 is due to increased use of a communications consultant and printing services.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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### *Rentals*

The decrease of \$69,000 is due to a 3-year pre-paid software licence in 2023-24 and the timing of invoicing for the maintenance fees associated to the financial system.

### *Repair and maintenance*

The decrease of \$1,121,000 is due to invoicing for a capital infrastructure project that was completed in 2023-24.

### *Utilities, materials and supplies*

The decrease of \$27,000 is due to a decrease in unreconciled acquisition card payments.

### *Acquisition of machinery and equipment*

The decrease of \$115,000 is mainly explained by one-time purchases of application software in 2023-24.

### *Other subsidies and payments*

The decrease of \$33,000 is explained by a change in the timing of salary overpayment recoveries.

## **Risks and uncertainties**

There is a risk that the funds received to compensate for salary increases will be insufficient to cover the costs, and that the annual cost of services provided by other government departments and agencies will increase significantly. To mitigate these risks, the NSIRA Secretariat forecasts personnel and operating expenses over a period of three fiscal years, and identifies critical functions.



# **National Security and Intelligence Review Agency Secretariat**

## **Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024**

---

The NSIRA Secretariat closely monitors payroll transactions to identify and quickly correct any shortfalls or overruns. It continues to apply ongoing mitigating controls such as participation in PSPC's Reconciliation Tool (RT) initiative. Mitigation measures for the risks described above have been defined, and are reflected in the NSIRA Secretariat's approach and timetable for carrying out its mandated activities.

### **Significant changes in relation to operations, personnel and programs**

There have been no changes to the NSIRA Secretariat Program.

### **Approval by Senior Officials:**

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Charles Fugère  
Executive Director

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Martyn Turcotte  
Chief Financial Officer

Ottawa, Canada  
Month Day, Year

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

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### Appendix

#### Statement of authorities (*unaudited*)

Fiscal year 2024-2025 and 2023-2024 (in thousands of dollars)

	Fiscal year 2024-2025			Fiscal year 2023-2024		
	Total available for use for the year ending March 31, 2025 (note 1)	Used during the quarter ended December 31, 2024	Year to date used at quarter-end	Total available for use for the year ending March 31, 2024 (note 1)	Used during the quarter ended December 31, 2023	Year to date used at quarter-end
Vote 1 - Net operating expenditures	18,856	3,838	11,821	22,633	4,313	11,531
<b>Budgetary statutory authorities</b>						
Contributions to employee benefit plans	1,601	400	1,201	1,755	438	1,316
<b>Total Budgetary authorities (note 2)</b>	<b>20,457</b>	<b>4,238</b>	<b>13,022</b>	<b>24,388</b>	<b>4,751</b>	<b>12,847</b>

*\*Details may not sum to totals due to rounding*

Note 1: Includes only Authorities available for use and granted by Parliament as at quarter-end.

# National Security and Intelligence Review Agency Secretariat

## Quarterly financial report for the quarter ended December 31<sup>st</sup>, 2024

### Departmental budgetary expenditures by Standard Object (*unaudited*)

Fiscal year 2024-2025 and 2023-2024 (in thousands of dollars)

	Fiscal year 2024-2025			Fiscal year 2023-2024		
	Planned expenditures for the year ending March 31, 2025 (note 1)	Expended during the quarter ended December 31, 2024	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2024 (note 1)	Expended during the quarter ended December 31, 2023	Year-to-date used at quarter-end
<b>Expenditures</b>						
Personnel	14,211	3,584	10,448	13,372	2,866	8,766
Transportation and communications	685	131	266	650	110	302
Information	76	15	28	371	1	5
Professional and special services	4,617	437	2,026	4,906	486	2,155
Rentals	309	40	82	271	78	151
Repair and maintenance	436	27	67	4,580	1,161	1,188
Utilities, materials, and supplies	58	(11)	29	73	(1)	56
Acquisition of machinery and equipment	65	0	20	132	83	135
Other subsidies and payments	0	15	56	33	(33)	89
<b>Total gross budgetary expenditures (note 2)</b>	<b>20,457</b>	<b>4,238</b>	<b>13,022</b>	<b>24,388</b>	<b>4,751</b>	<b>12,847</b>

\* Details may not sum to totals due to rounding.