



**Office of the Commissioner for
Federal Judicial Affairs Canada**

**Quarterly Financial Report
for the quarter ended
September 30, 2023**

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

1. Introduction

This Quarterly Financial Report (QFR) 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 of Canada Secretariat. This QFR should be read in conjunction with the Main Estimates and Supplementary Estimates. It has not been subject to an external audit or review.

1.1 Mandate

The Office of the Commissioner for Federal Judicial Affairs (FJA) Canada was created in 1978 under the authority of the *Judges Act* to safeguard the independence of the judiciary and in order to put federally appointed judges at arm's length from the administration of the Department of Justice. FJA's mandate extends to promoting better administration of justice and providing support for the federal judiciary.

FJA administers three distinct and separate components that are funded from different sources. Statutory funding is allocated for the judges' salaries, allowances and annuities, and surviving beneficiaries' benefits. Voted appropriations are provided in two separate votes to support the administrative activities of FJA and the Canadian Judicial Council (CJC).

Under the Departmental Results Framework, the organization's core responsibility is to provide support to federally appointed judges. In addition to Internal Services, the organization is broken down into three program activities: payments pursuant to the *Judges Act*, FJA, and CJC.

Further details about FJA's authority, mandate, and programs can be found below and in FJA's Departmental Plan (DP), Main Estimates and Supplementary Estimates located on FJA's and the Treasury Board's websites at www.fja-cmf.gc.ca and www.tbs-sct.gc.ca.

1.2 Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes FJA's spending authorities granted by Parliament and those used by the department consistent with the Main Estimates for the 2023-2024 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 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 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.

FJA 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.

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

FJA is financed by the Government through Parliamentary Appropriations (e.g. Statutory Votes for payments pursuant to the *Judges Act* and Employee Benefits Plans (EBP) and Budgetary Votes to support the administration of FJA and CJC).

Vote-netting is a means of funding selected programs or activities wherein Parliament authorizes FJA to apply revenues collected towards costs directly incurred for specific activities. FJA has the authority to spend revenues received during the year arising from the provision of administrative services.

Changes to Departmental Authorities

As at September 30, 2023, the total authorities available to FJA are \$25.8 million higher compared with the same quarter last fiscal year. This net increase is comprised of:

- An increase of \$25.3 million in statutory authorities for judges' salaries, allowances and annuities, as well as for contributions to employee benefit plans.
- An increase of \$0.5 million in voted authorities for the department's operating budget.

Changes to Budgetary Expenditures

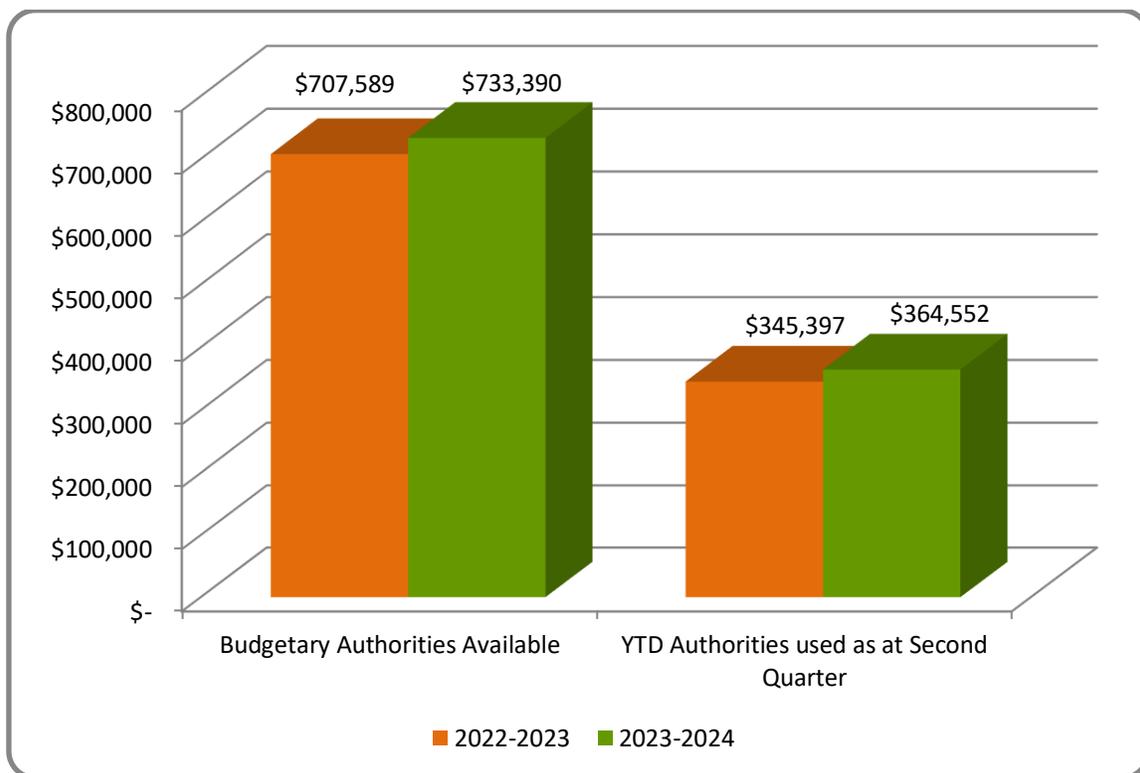
As at September 30, 2023, the department's total net budgetary expenditures increased by \$19.2 million compared with the same quarter last fiscal year. This variance is comprised of:

- A year-to date net increase of \$15.6 million in personnel expenditures (including EBP)*.

- A year-to date net increase of \$2.9 million in transportation and telecommunications expenditures*.
- A year-to date net increase of \$1.5 million in other subsidies and payments expenditures*.
- A year-to date net decrease of \$0.7 million in professional services expenditures*.
- An overall net decrease of \$0.1 million for all other non-salary expenditures*.

*Includes payments pursuant to the *Judges Act*

Figure 1: Comparison of Authorities Granted and Used



The chart illustrates the variation in thousands of dollars of the annual budgetary authorities granted and used as at September 30, 2022 and 2023.

As at September 30, 2022 and 2023, FJA planned to spend \$707,589,166 in 2022-23 and \$733,390,367 in 2023-24. Authorities used as at the second quarter totalled \$345,396,546 in 2022-23 and \$364,551,608 in 2023-24.

3. Risks and Uncertainties

FJA's environment is complex due to the range of services it provides and the large number of clients served. Recognizing this context, FJA has developed a risk profile and actively monitors internal and external risks through its management team. Concise information about significant financial risks and uncertainties, the potential impact to FJA's 2023-24 financial plan and the strategies adopted to manage these financial risks and uncertainties are briefly outlined below. Further detail about FJA's internal and external risks can be found in FJA's 2023-24 DP.

This QFR reflects the results of the current fiscal period in relation to the authorities available as at September 30, 2023.

FJA continues agile management of its resources to shift and reallocate resources to adapt to emerging needs as required.

4. Significant changes in relation to operations, personnel and programs

As at September 30, 2023, the significant increase in expenses related to transportation compared with the same quarter last fiscal year is primarily attributable to the end of the pandemic restrictions, which resulted in an increase to the number of court-related travel and conferences attended by judges.

5. Approval by Senior Officials

Approved by:

(original signed by) _____
Marc A. Giroux
Commissioner

(original signed by) _____
Errolyn Humphreys
Chief Financial Officer

Ottawa, Canada
Date: November 29, 2023

Statement of Authorities (unaudited)

Fiscal year 2023-2024 (in thousands of dollars)

	Total available for use for the year ending March 31, 2024*	Used during the quarter ended September 30, 2023	Year- to-date used at quarter-end
Vote 1 – FJA – Operating expenditures	10,414	2,908	5,543
Vote 5 – CJC – Operating expenditures	2,872	504	947
Less: Vote 1 – FJA – Revenues	(275)	-	-
Net Operating expenditures	13,011	3,412	6,490
Statutory authorities - EBP	1,064	266	532
Statutory authorities – Judges salaries, allowances and annuities	719,315	181,289	357,530
Total Budgetary Authorities	\$ 733,390	\$ 184,967	\$ 364,552

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

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Fiscal year 2022-2023 (in thousands of dollars)

	Total available for use for the year ending March 31, 2023*	Used during the quarter ended September 30, 2022	Year- to-date used at quarter-end
Vote 1 – FJA – Operating expenditures	10,588	3,107	5,229
Vote 5 – CJC – Operating expenditures	2,223	513	778
Less: Vote 1 – FJA – Revenues	(275)	-	-
Net Operating expenditures	12,536	3,620	6,007
Statutory authorities - EBP	1,037	260	519
Statutory authorities – Judges salaries, allowances and annuities	694,016	173,281	338,871
Total Budgetary Authorities	\$ 707,589	\$ 177,161	\$ 345,397

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

Departmental budgetary expenditures by Standard Object (unaudited)

Fiscal year 2023-2024 (in thousands of dollars)

	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Expenditures			
Personnel -including EBP	684,012	173,486	339,350
Transportation and Telecommunications	25,578	4,958	10,852
Information	135	18	45
Professional Services	13,065	4,684	8,635
Rentals	656	290	445
Purchased Repair and Maintenance	52	1	15
Utilities, materials and supplies	66	2	3
Acquisition of Machinery & Equipment	462	1	37
Other subsidies and payments	9,639	1,527	5,170
Total Gross Budgetary Expenditures	733,665	184,967	364,552
Less Revenues netted against Expenditures			
Revenues	(275)	-	-
Total net budgetary expenditures	\$ 733,390	\$ 184,967	\$ 364,552

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Fiscal year 2022-2023 (in thousands of dollars)

	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended September 30, 2022	Year-to-date used at quarter-end
Expenditures			
Personnel - including EBP	659,331	165,114	323,726
Transportation and Telecommunications	26,718	3,747	7,952
Information	184	37	52
Professional Services	13,119	6,485	9,325
Rentals	1,396	559	610
Purchased Repair and Maintenance	98	4	5
Utilities, materials and supplies	47	3	11
Acquisition of Machinery & Equipment	288	-	-
Other subsidies and payments	6,683	1,212	3,716
Total Gross Budgetary Expenditures	707,864	177,161	345,397
Less Revenues netted against Expenditures			
Revenues	(275)	-	-
Total net budgetary expenditures	\$ 707,589	\$ 177,161	\$ 345,397