

Atlantic Canada Opportunities Agency

2025–2026

Quarterly Financial Report For the quarter ended December 31, 2025

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**Atlantic Canada
Opportunities
Agency**

**Agence de
promotion économique
du Canada atlantique**

Canada

Statement Outlining Results, Risks and Significant Changes in Operations, Personnel and Programs

INTRODUCTION

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

A summary description of the Atlantic Canada Opportunities Agency (ACOA) program activities can be found in Part II of the 2025–2026 [Main Estimates](#).

Basis of presentation

This quarterly financial report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities is consistent with the Main Estimates, Supplementary Estimates (A) and Supplementary Estimates (B) for the 2025–2026 fiscal year and includes ACOA's total authorities available for use as granted by Parliament and those used by the Agency during this quarter. Authorities available for use are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory authorities for specific purposes.

The authority of Parliament is required before monies can be spent by the Government.

When Parliament is dissolved for the purposes of a general election, section 30 of the FAA authorizes, under certain conditions, the preparation of special warrants to be signed by the Governor General authorizing payments to be made from the Consolidated Revenue Fund. Special warrants are deemed to be an appropriation for the fiscal year in which they are issued.

As part of the departmental results reporting process, the Agency prepares its annual departmental financial statements on a full accrual basis in accordance with Treasury Board accounting policies. However, the spending authorities voted by Parliament remain on an expenditure basis of accounting.

ACOA financial structure

ACOA manages its expenditures under two votes:

- Vote 1 – Net operating expenditures includes the Agency's authorities related to personnel costs (for example, salaries) and operation and maintenance expenditures (for example, travel)
- Vote 5 – Grants and contributions includes authorities related to transfer payments

Costs under Statutory Authorities, which represent payments made under legislation approved previously by Parliament and which are not part of the annual appropriation bills, include such items as the employer's share of the employee benefits plan and other minor items.

HIGHLIGHTS OF FISCAL QUARTER AND FISCAL YEAR-TO-DATE RESULTS

This section highlights significant changes to the fiscal quarter results as of December 31, 2025.

Statement of authorities: Vote 1 – Net Operating Expenditures

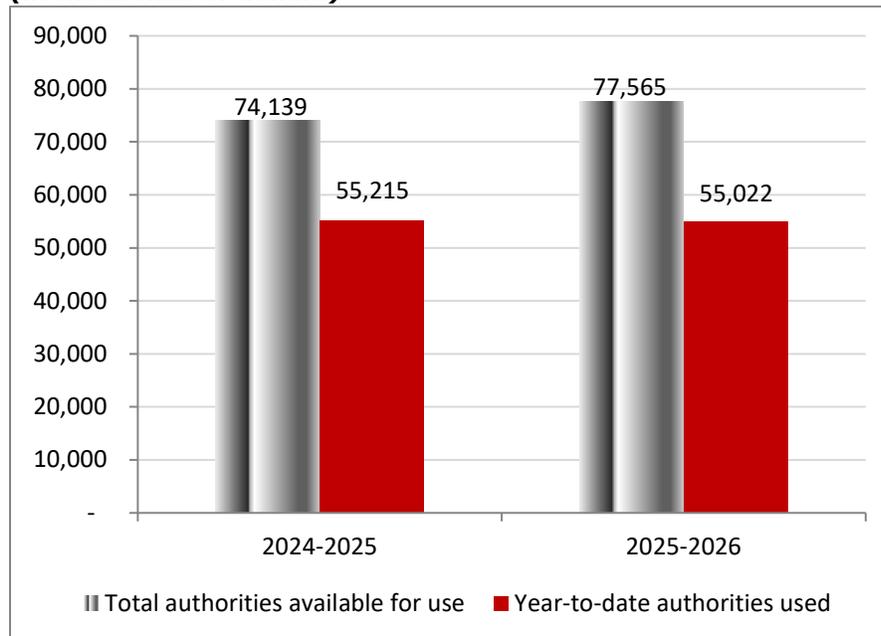
Total authorities available for fiscal year 2025–2026 are \$77.6 million, with no significant variance compared to \$74.1 million as of December 31, 2024.

Vote 1 authorities used year-to-date were \$55.0 million at the end of the third quarter this fiscal year, with no significant variance compared to \$55.2 million as of December 31, 2024.

Graph 1 illustrates the total authorities available for use for the year as well as the amount used year-to-date at quarter-end.

Graph 1: Comparison of Net Budgetary Authorities and Expenditures for Vote 1 as of December 31, 2024–2025 and 2025–2026

(in thousands of dollars)



Statement of authorities: Vote 5 – Grants and Contributions

Total authorities available for use for the year ending March 31, 2026, amount to \$331.0 million, an increase of \$12.8 million compared to the \$318.2 million available for use as of December 31, 2024. The increase of \$12.8 million, or 4%, is explained below.

A total increase of \$55.1 million in Vote 5 authorities available for use related to:

- a \$22.2 million increase in temporary funding for the Regional Economic Growth through Innovation – Regional Tariff Response Initiative
- a \$15.5 million increase in temporary funding for the implementation of the Defence Industrial Strategy Early Moves
- a \$6.2 million increase in temporary funding for the Centre for Ocean Ventures and Entrepreneurship
- a \$5.9 million increase in temporary funding for the BioAccelerator Project
- a \$2.7 million increase in temporary funding for the development of a Cybersecurity Data Attribution Centre at the University of New Brunswick
- a \$1.6 million increase in temporary funding for the Regional Artificial Intelligence Initiative
- a \$0.6 million increase in temporary funding for the North Atlantic Treaty Organization Defence Innovation Accelerator for the North Atlantic program
- \$0.4 million in other adjustments

This increase is offset by a total decrease of \$42.3 million in Vote 5 authorities available for use related to:

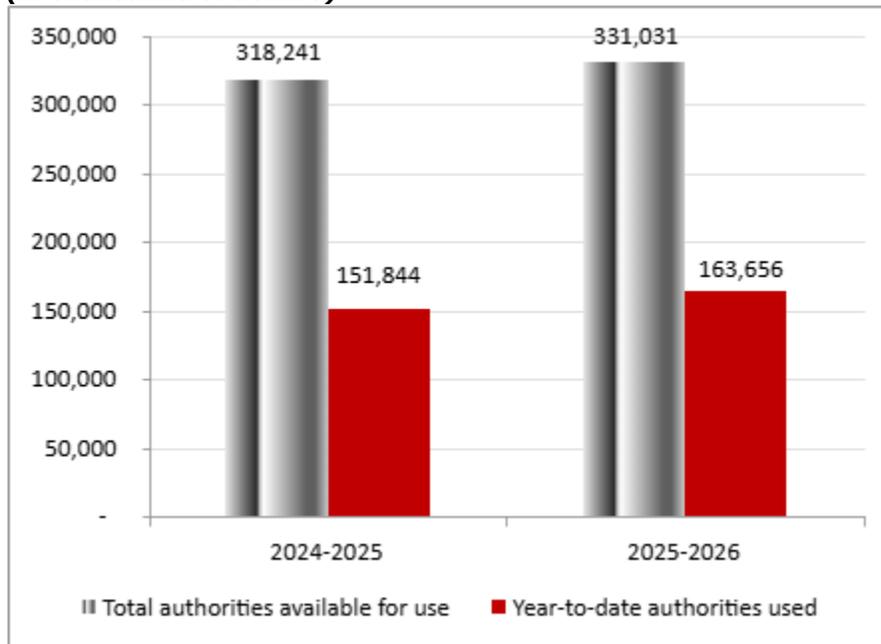
- a \$31.0 million decrease in temporary funding for the Hurricane Fiona Recovery Fund, reprofiled from fiscal year 2023–2024 to fiscal year 2024–2025
- an \$8.6 million decrease in temporary funding for the Canada Coal Transition Initiative – Infrastructure Fund
- a \$2.7 million decrease in temporary funding for the Keir’s Shore Landing Site project

Vote 5 authorities used increased from \$151.8 million last fiscal year to \$163.7 million this fiscal year. This \$11.9 million increase in authorities used, or 7.8%, is mainly due to the timing of contribution payments compared to the previous fiscal year.

Graph 2 illustrates the total authorities available for use for the year as well as the amount used year-to-date at quarter-end.

Graph 2: Comparison of Net Budgetary Authorities and Expenditures for Vote 5 as of December 31, 2024–2025 and 2025–2026

(in thousands of dollars)



Statement of authorities: budgetary statutory authorities

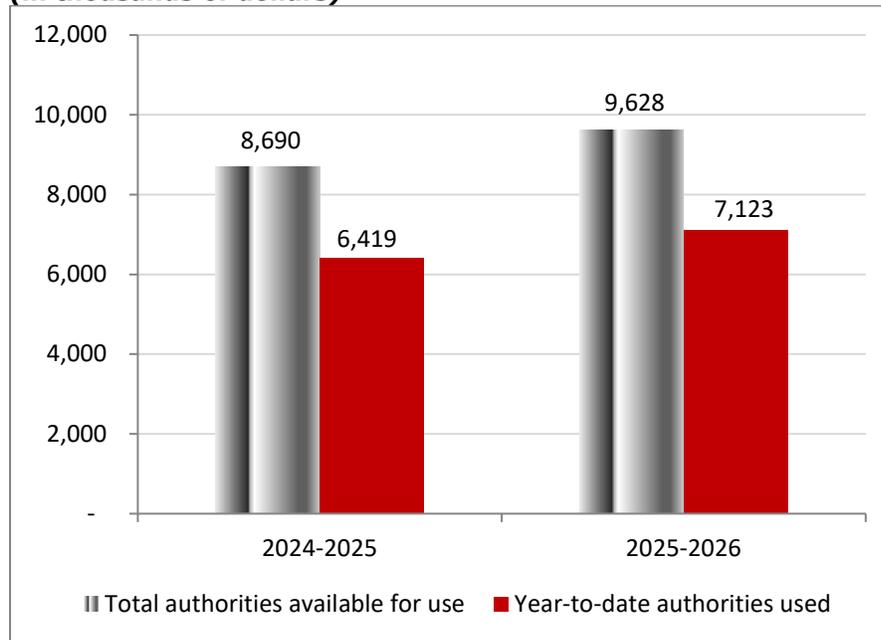
Budgetary statutory authorities available for use for the year ending March 31, 2026, have increased by \$0.9 million, or 10.8%, to \$9.6 million compared to the previous fiscal year at the same time.

Budgetary statutory authorities used year-to-date were \$7.1 million at the end of the third quarter this fiscal year, with no significant variance compared to \$6.4 million as of December 31, 2024.

Graph 3 illustrates the total authorities available for use for the year as well as the amount used year-to-date at quarter-end.

Graph 3: Comparison of Net Budgetary Authorities and Expenditures for Statutory Authorities as of December 31, 2024–2025 and 2025–2026

(in thousands of dollars)



Statement of the Agency’s budgetary expenditures by standard object

The Agency’s budgetary expenditures by standard object for the quarter ended December 31, 2025, were \$225.8 million, which reflects an increase of \$12.3 million, or 5.8%, from the \$213.5 million in overall expenditures for the quarter ended December 31, 2024.

Risks and uncertainties

ACOA’s integrated risk profile identifies key factors that could affect the Agency’s ability to fulfill its mandate. These risks reflect both external pressures and internal challenges within ACOA’s complex operating landscape.

Externally, ACOA faces two primary risks:

- The first is that the Agency’s economic development programming could potentially be affected by external factors impacting economic growth, such as the implications of the United States’ tariffs and climate-related events.
- The second is related to the capacity of ACOA’s stakeholders – other governments, partners, communities and clients – to identify, develop and successfully implement strategic projects.

ACOA capitalized on the flexibility of its programs, advocated on behalf of Atlantic Canada in various spheres, including federal and regional tables, and collaborated with partners to exchange valuable information and best practices. It supported analysis on regional economic issues and collaborated with stakeholders to foster client and community capacity to target key federal priorities.

Complementing its external risk mitigation efforts, ACOA maintains strong internal controls to safeguard its operations and financial integrity. These include:

- regular assessments of entity-level controls, general computer controls, and key business processes such as payments on grants and contributions, operating expenses, and accounts receivable
- a structured budgetary and allocation framework supported by automated financial controls
- periodic forecasting and financial analysis to ensure effective resource management

To further strengthen its risk management practices, the Agency will continue annual processes such as the Compliance Risk Process; collaborate with other regional development agencies to monitor and respond to emerging risks; and enhance risk identification and assessment across all levels of operations.

Significant changes in relation to operations, personnel and programs

The following change in senior personnel occurred during the third quarter:

- On December 12, 2025, the President announced the appointment of Lyne Lirette-LeBlanc as A/Chief Financial Officer of the Atlantic Canada Opportunities Agency, effective January 7, 2026.

Approval by senior officials

Approved by:

Langley,
LauraLee

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Laura Lee Langley
Deputy Head
Moncton, Canada

Date

LiretteLeBlanc,
Lyne

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Lyne Lirette-LeBlanc
A/Chief Financial Officer
Moncton, Canada

Date

Atlantic Canada Opportunities Agency
Quarterly Financial Report
For the quarter ended December 31, 2025

Statement of Authorities (*unaudited*)

Fiscal year 2025–2026 (in thousands of dollars)

Authorities	Total available for use for the year ending March 31, 2026*	Used during the quarter ended December 31, 2025	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	77,565	20,197	55,022
Vote 5 - Grants and contributions	331,031	81,396	163,656
Budgetary statutory authorities	9,628	2,374	7,123
Total authorities	418,224	103,967	225,801

Fiscal year 2024–2025 (in thousands of dollars)

Authorities	Total available for use for the year ending March 31, 2025*	Used during the quarter ended December 31, 2024	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	74,139	18,800	55,215
Vote 5 - Grants and contributions	318,241	77,094	151,844
Budgetary statutory authorities	8,690	2,139	6,419
Total authorities	401,070	98,033	213,478

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

Agency's budgetary expenditures by Standard Object (unaudited)

Fiscal year 2025–2026 (in thousands of dollars)

Expenditures	Planned expenditures for the year ending March 31, 2026*	Expended during the quarter ended December 31, 2025	Year-to-date expended at quarter-end
Personnel	78,527	20,659	57,289
Transportation and communications	1,520	433	881
Information	962	179	394
Professional and special services	2,214	548	1,313
Rentals	1,779	278	1,315
Repair and maintenance	89	9	32
Utilities, materials and supplies	129	57	79
Acquisition of machinery and equipment	943	179	192
Transfer payments	331,031	81,396	163,656
Other subsidies and payments	1,030	229	650
Total net budgetary expenditures	418,224	103,967	225,801

Fiscal year 2024–2025 (in thousands of dollars)

Expenditures	Planned expenditures for the year ending March 31, 2025*	Expended during the quarter ended December 31, 2024	Year-to-date expended at quarter-end
Personnel	70,912	19,525	55,742
Transportation and communications	2,033	314	1,112
Information	773	160	479
Professional and special services	3,770	539	1,406
Rentals	2,400	253	1,366
Repair and maintenance	135	22	45
Utilities, materials and supplies	307	32	89
Acquisition of machinery and equipment	970	125	529
Transfer payments	318,241	77,094	151,844
Other subsidies and payments	1,529	(31)	866
Total net budgetary expenditures	401,070	98,033	213,478

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