



---

**Military Grievances External Review Committee**  
**Future-Oriented Statement of Operations (Unaudited)**  
**For the Year Ending March 31**  
(in thousands of dollars)

	<b>Forecast Results 2016-17</b>	<b>Planned Results 2017-18</b>
<b>Expenses</b>		
Independent Review of Military Grievances	\$ 4,322	\$ 5,106
Internal Services	1,871	1,887
<b>Total expenses</b>	<b>6,193</b>	<b>6,993</b>
<b>Net cost of operations before government funding and transfers</b>	<b>\$ 6,193</b>	<b>\$ 6,993</b>

The accompanying notes form an integral part of the Future-Oriented Statement of Operations



## **Military Grievances External Review Committee**

### **Notes to the Future-Oriented Statements of Operations (Unaudited)**

#### **1. Methodology and Significant Assumptions**

The Future-Oriented Statement of Operations has been prepared on the basis of government priorities and departmental plans as described in the Departmental Plan.

The information in the forecast results for the fiscal year 2016-17 is based on actual results as at November 30, 2016 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for the fiscal year 2017-18.

The main assumptions underlying the forecasts are as follows:

- The Committee's activities will remain substantially the same as in the previous year.
- Expenses and revenues, including the determination of amounts internal and external to the government, are based on past experience, trend analysis and other analytical methodologies. The general historical pattern is expected to continue.

#### **2. Variations and Changes to the Forecast Financial Information**

Although every attempt has been made to forecast final results for the remainder of 2016-17 and for 2017-18, actual results achieved for both years are likely to differ from the forecast information presented, and this variation could be material.

In preparing this Future-Oriented Statement of Operations, the Committee has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

Factors that could lead to material differences between the Future-Oriented Statement of Operations and the historical statement of operations include:

- the timing and the amount of acquisitions and disposals of property, plant and equipment may affect gains, losses and amortization expense;
- the implementation of new collective agreements;
- other changes to the operating budget, such as new initiatives or technical adjustments later in the fiscal year.

After the Departmental Plan is tabled in Parliament, the Committee will not be updating the forecasts for any changes in financial resources made in ensuing supplementary estimates. Variances will be explained in the Departmental Results Report.

#### **3. Summary of Significant Accounting Policies**

The Future-Oriented Statement of Operations has been prepared using the Government of

---



Canada's accounting policies in effect for fiscal year 2016–17, and is based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

**(a) Expenses**

The Committee records expenses on an accrual basis.

Expenses for the Committee's operations are recorded when goods are received or services are rendered, including services provided without charge for employer contributions to health and dental insurance plans and worker's compensation, which are recorded as expenses at their estimated cost. Vacation pay and compensatory leave, as well as severance benefits, are accrued, and expenses are recorded as the benefits are earned by employees under their terms of employment.

Expenses also include provision for liabilities, including contingent liabilities, to the extent the future event is likely to occur and a reasonable estimate can be made.

Expenses also include amortization of tangible capital assets, which are capitalized at their acquisition cost. Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset.

**(b) Revenues**

Access to Information and Privacy revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place. These revenues are non-material (less than \$100) and therefore, not reported in this Future-Oriented Statement of Operations.

Revenues that are non-respondable are not available to discharge the Committee's liabilities. Although the Deputy Head is expected to maintain accounting control, he or she has no authority over the disposition of non-respondable revenues. As a result, non-respondable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented in reduction of the department's gross revenues.

**4. Parliamentary Authorities**

The Committee is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the Committee differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the Committee has different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:



a) **Reconciliation of net cost of operations to requested authorities  
(in thousands of dollars)**

	<b>Forecast Results 2016-17</b>	<b>Planned Results 2017-18</b>
<b>Net cost of operations before government funding and transfers</b>	\$ 6,193	\$ 6,993
<b>Adjustments for items affecting net cost of operations but not affecting authorities:</b>		
Amortization of tangible capital assets	(41)	(45)
Services provided without charge by other government departments	(366)	(330)
Decrease (increase) in vacation pay and compensatory leave	3	(5)
Decrease in future employee benefits	12	4
Refunds of prior years' expenditures	23	0
<b>Total items affecting net cost of operations but not affecting authorities</b>	<b>(369)</b>	<b>(376)</b>
<b>Adjustment for items not affecting net cost of operations but affecting appropriations:</b>		
Acquisition of tangible capital assets	0	106
<b>Total items not affecting net cost of operations but affecting authorities:</b>	<b>0</b>	<b>106</b>
Forecast current year lapse	930	0
<b>Requested authorities</b>	<b>\$ 6,754</b>	<b>\$ 6,723</b>

(b) **Authorities requested**

	<b>Forecast Results 2016-17</b>	<b>Planned Results 2017-18</b>
<b>Authorities requested:</b>		
Vote 1 - Operating expenditures	\$ 6,141	\$ 6,161
Statutory amounts	613	562
<b>Requested authorities</b>	<b>\$ 6,754</b>	<b>\$ 6,723</b>