



Military Grievances External Review Committee
Future-Oriented Statement of Operations (unaudited)
for the year ending March 31
(in thousands of dollars)

	Forecast results 2018-19	Planned results 2019-20
Expenses		
Independent review of military grievances	\$4,511	\$5,049
Internal services	2,027	2,268
Total expenses	6,538	7,317
Revenues		
Miscellaneous revenues	1	1
Total revenues	1	1
Net cost of operations before government funding and transfers	\$6,537	\$7,316

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 fiscal year 2018-19 is based on actual results as at December 31, 2018 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for fiscal year 2019-20.

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. The general historical pattern is expected to continue.

These assumptions are made as at December 31, 2018.

2. Variations and changes to the forecast financial information

Although every attempt has been made to forecast final results for the remainder of 2018-19 and for 2019-20, 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, which may affect gains, losses and amortization expense;
- the implementation of new collective agreements; and
- 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 2018-19, 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

Expenses are generally recorded when goods are received or services are rendered and include expenses related to personnel, professional and special services, repair and maintenance, utilities, materials and supplies, as well as amortization of tangible capital assets. Provisions to reflect changes in the value of assets and liabilities, as well as utilization of prepaid expenses, are also included in other expenses.

(b) Revenues

Revenues are recognized in the period the event giving rise to the revenues occurred.

Revenues that are non-respendable are not available to discharge the Committee's liabilities. Although the Chairperson and CEO is expected to maintain accounting control, she has no authority over the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented as a reduction of the Committee'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)**

	Forecast results 2018-19	Planned results 2019-20
Net cost of operations before government funding and transfers	\$6,537	\$7,316
Adjustments for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capital assets	(131)	(175)
Adjustment of prepaid expenses	(2)	0
Loss on disposal of tangible capital assets	(2)	0
Gain on disposal of non-capital assets	1	1
Services provided without charge by other government departments	(356)	(373)
Increase in vacation pay and compensatory leave	(4)	(6)
Decrease in employee future benefits	27	6
Refunds of prior years' expenditures	2	1
Adjustments to previous years' payables at year-end	5	1
Recoveries of gross salary overpayment for employees transferred from other government department	3	1
Total items affecting net cost of operations but not affecting authorities	<u>(457)</u>	<u>(544)</u>
Adjustment for items not affecting net cost of operations but affecting authorities:		
Acquisition of tangible capital assets	175	30
Total items not affecting net cost of operations but affecting authorities:	<u>175</u>	<u>30</u>
Forecast current year lapse	904	0
Requested authorities	<u>\$7,159</u>	<u>\$6,802</u>

**(b) Authorities requested
(in thousands of dollars)**

	Forecast results 2018-19	Planned results 2019-20
Authorities requested:		
Vote 1: operating expenditures	\$6,548	\$6,181
Statutory amounts	611	621
Total authorities requested	<u><u>\$7,159</u></u>	<u><u>\$6,802</u></u>