



Polar Knowledge
Canada

Savoir polaire
Canada

Polar Knowledge Canada

2025-26

Quarterly Financial Report

For the Quarter Ended

June 30, 2025

Canada

Introduction

This quarterly financial report has been prepared by management as required by section 65.1 of the [Financial Administration Act](#), in the form and manner prescribed by the Treasury Board. This quarterly financial report should be read in conjunction with the [2025-26 Main Estimates](#). This quarterly financial report has not been subject to an external audit or review.

Polar Knowledge Canada was created pursuant to the [Canadian High Arctic Research Station Act](#) which came into force on June 1, 2015. Polar Knowledge Canada's mandate is to:

- Advance the knowledge of the Canadian Arctic to improve economic opportunities, environmental stewardship, and the quality of life of its residents and all other Canadians;
- Promote the development and dissemination of knowledge of the other circumpolar regions, including the Antarctic;
- Strengthen Canada's leadership on Arctic issues; and
- Establish a hub for scientific research in the Canadian Arctic.

Further information on the mandate, roles, responsibilities, and programs of Polar Knowledge Canada can be found by accessing the [2025-26 Department Plan](#).

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying statement of authorities includes the Agency's spending authorities granted by Parliament and those used by the Agency consistent with the Main Estimates for the 2025-26 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 purpose of a general election, section 30 of the *Financial Administration Act* authorizes, under certain conditions, the preparation of a special warrants to be signed by the Governor General authorizing payments to be made out of the Consolidated Revenue Fund. Special warrants are deemed to be an appropriation for the fiscal year in which they are issued.

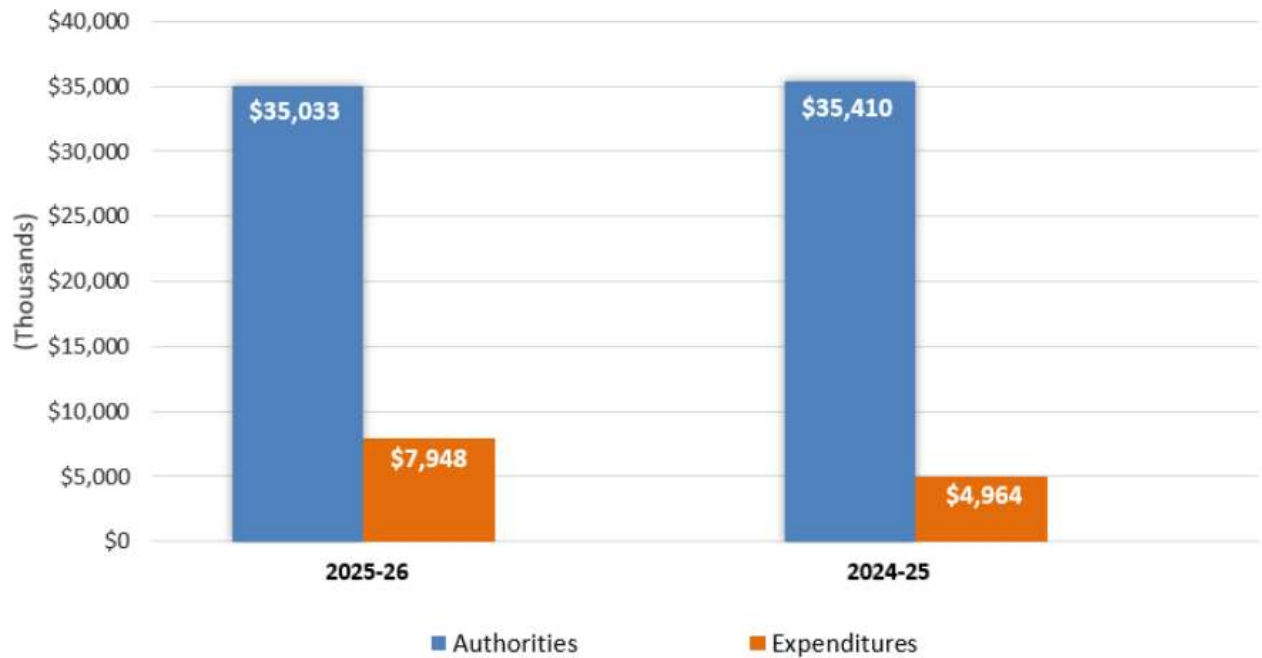
Special warrants issued during the first quarter (Q1) 2025-26 were included in the total appropriations in Main Estimates 2025-26.

The Agency 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 (YTD) results

The following graph provides a comparison of the total budgetary authorities and year-to-date expenditures for the first quarter of the current and previous fiscal years for Polar Knowledge Canada’s combined operating and statutory authorities.

Graph 1: Comparison of budgetary authorities and expenditures for the first quarter ended June 30, 2025, and June 30, 2024.



Significant Changes to Authorities

As reflected in the [Statement of Authorities](#) (Annex 1), for the period ending June 30, 2025, the total budgetary authorities available for use decreased by \$0.38 million (1.06%) for the current fiscal year compared to the same period of the prior year.

Significant Changes to Year-to-Date Expenditures

As reflected in the [Departmental budgetary expenditures by Standard Object](#) (Annex 2), at the end of the first quarter of 2025-26, total expenditures were \$7.95 million, compared to \$4.96 million reported in the same period in 2024-25. The \$2.98 million (60.11%) increase in expenses is mainly due to the timing of transfer payments approvals.

Risks and Uncertainties

Polar Knowledge Canada operates in a complex and dynamic environment where various risks can impact its ability to carry out polar science and knowledge activities effectively. The continued success of Polar Knowledge Canada's operations is reliant on several key factors:

- Securing sufficient or timely funding from the fiscal framework for fiscal years 2025-26 and beyond, which could impact the organization's ability to achieve its strategic objectives, maintain operations, and/or execute key projects;
- Attracting and retaining people in the North with the competencies and skill sets needed to conduct scientific research and technology development, provide technical support to visiting researchers, and/or provide internal support to the agency itself;
- Procuring materials and meeting the critical Northern logistical timeframes, such as sealift windows;
- Receiving the required inputs from partners and stakeholders needed to fulfill the agency's obligations, such as to treaty and self-government agreements, memoranda of understanding with Indigenous governments and organizations, service agreements with other federal organizations, and others; and
- Adapting to the broader financial climate and announced government-wide spending reductions, which may further constrain operational flexibility.

Should Polar Knowledge Canada be unable to complete planned activities due to a lack of resources or input from a contributing partner, the agency could be perceived as not fulfilling its commitments. There is a risk that this would damage Polar Knowledge Canada's reputation resulting in the potential loss of integral partnerships and collaboration opportunities. Polar Knowledge Canada will mitigate these risks by:

- Engaging early with the Treasury Board and other stakeholders to clearly communicate funding requirements, provide robust justification for continued support, and explore alternative funding sources or partnerships to reduce dependency on government funding;
- Involving and supporting community participation early, and in every stage of projects that impact them;
- Communicating Polar Knowledge Canada's commitments under memoranda of understanding with Indigenous partners, and taking meaningful action to implement these commitments; and
- Addressing internal capacity challenges through timely recruitment including the ongoing implementation of its Inuit Employment Plan to attract, develop, and retain Inuit talent.

Significant Changes in Relation to Operations, Personnel and Programs

During the first quarter of 2025-26, there were no significant changes in relation to operations, personnel and programs.

Approval by Senior Officials

The original version was approved and signed by

Suzanne Kerr, CPA, CGA
Acting President & Chief Executive Officer
Ottawa, Canada

Christine Robinson, CPA, CMA
Acting Executive Director, Corporate Services &
Chief Financial Officer
Ottawa, Canada

Annex 1

Statement of Authorities (unaudited)

<i>(In thousands of dollars)</i>	<i>Fiscal year 2025-26</i>			<i>Fiscal year 2024-25</i>		
	Total available for use for the year ending March 31, 2026*	Used during the quarter ended June 30, 2025	Year to date used at quarter end	Total available for use for the year ending March 31, 2025	Used during the quarter ended June 30, 2024	Year to date used at quarter end
Vote 1 - Net operating expenditures	32,370	7,465	7,465	33,007	4,964	4,964
Budgetary Statutory Authorities	2,663	483	483	2,403	-	-
Total Budgetary Authorities	35,033	7,948	7,948	35,410	4,964	4,964

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

Polar Knowledge Canada
Quarterly Financial Report
For the quarter ended June 30, 2025

Annex 2

Departmental budgetary expenditures by Standard Object (unaudited)

	<i>Fiscal year 2025-26</i>			<i>Fiscal year 2024-25</i>		
	Planned expenditures for the year ending March 31, 2026	Expended during the quarter ended June 30, 2025	Year to date used at quarter end	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended June 30, 2024	Year to date used at quarter end
Expenditures						
Personnel	14,555	3,289	3,289	13,783	2,842	2,842
Transportation and communications	1,210	494	494	2,100	424	424
Information	1,247	14	14	438	-	-
Professional and special services	3,582	414	414	2,729	209	209
Rentals	1,572	308	308	1,566	315	315
Repair and maintenance	3,398	582	582	3,366	505	505
Utilities, materials and supplies	1,603	223	223	2,150	175	175
Acquisition of machinery and equipment	-	13	13	1,448	-	-
Transfer payments	7,796	2,612	2,612	7,796	375	375
Other subsidies and payments	70	(1)	(1)	34	119	119
Total Budgetary expenditures	35,033	7,948	7,948	35,410	4,964	4,964