



Civilian Review and
Complaints Commission
for the RCMP

Commission civile d'examen
et de traitement des plaintes
relatives à la GRC

Civilian Review and Complaints Commission For the RCMP

Financial Statements (unaudited) 2023–2024

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Civilian Review and Complaints Commission for the RCMP
P.O. Box 1722, Station B
Ottawa, ON K1P 0B3
Fax: 613-952-8045 (Ottawa)
Email: publications@crcc-ccetp.gc.ca

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CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Statement of Management Responsibility (Unaudited)

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2024, and all information contained in these statements rests with the management of the Civilian Review and Complaints Commission for the RCMP (CRCC). These financial statements have been prepared by management using the Government of Canada's accounting policies, which are based on Canadian public sector accounting standards.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment, and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the CRCC's financial transactions. Financial information submitted in the preparation of the *Public Accounts of Canada* and included in CRCC's *Departmental Results Report*, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal controls over financial reporting (ICFR) designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the CRCC and through conducting an annual risk-based assessment of the effectiveness of the system of ICFR.

The system of ICFR is designed to mitigate risks to a reasonable level based on an on-going process to identify key risks, to assess effectiveness of associated key controls and to make any necessary adjustments.

The financial statements of CRCC have not been audited.

Micheline Lahaie

Chairperson
Ottawa, Canada
Date:

Roxane Bériault, CPA

Chief Financial Officer
Ottawa, Canada
Date:

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Statement of Financial Position (Unaudited)

As at March 31

(in dollars)

	2024	2023
Liabilities		
Accounts payable and accrued liabilities (note 4)	\$ 1,084,912	\$ 922,092
Vacation pay and compensatory leave	732,841	695,492
Employee future benefits (note 5)	253,343	239,197
Total liabilities	2,071,096	1,856,781
Financial assets		
Due from Consolidated Revenue Fund	1,098,671	835,292
Accounts receivable and advances (note 6)	184,371	277,606
Total financial assets	1,283,042	1,112,898
Departmental net debt	788,055	743,883
Non-Financial assets		
Tangible capital assets (note 7)	155,287	95,709
Total non-financial assets	155,287	95,709
Departmental net financial position	\$(632,767)	\$(648,174)

The accompanying notes form an integral part of these financial statements

Micheline Lahaie

Chairperson
Ottawa, Canada
Date:

Roxane Bériault, CPA

Chief Financial Officer
Ottawa, Canada
Date:

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Statement of Operations and Departmental Net Financial Position (Unaudited)

For the Year Ended March 31

(in dollars)

	2024 Planned Results	2024 Actual	2023 Actual
Expenses			
Independent review of the RCMP	\$ 11,336,502	\$11,930,311	\$9,169,186
Internal Services	6,255,601	5,550,417	4,766,587
Total expenses	17,592,103	17,480,728	13,935,773
Revenues			
Miscellaneous revenues	8	0	0
Revenues earned on behalf of government	(8)	0	0
Total revenues	0		
Net cost of operations before government funding and transfers	17,592,103	17,480,728	13,935,773
Government Funding and Transfers			
Net cash provided by Government		15,465,173	12,136,508
Change in due from the Consolidated Revenue Fund		263,379	288,261
Services provided without charge by other government departments (note 8)		1,767,585	1,513,500
Net cost of operations after government funding and transfers		(15,408)	(2,496)
Departmental net financial position - Beginning of Year		(648,174)	(650,670)
Departmental net financial position - End of Year		\$(632,767)	\$(648,174)

Segmented information ([note 9](#))

The accompanying notes form an integral part of these financial statements.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Statement of Change in Departmental Net Debt (Unaudited)

For the Year Ended March 31

(in dollars)

	2024	2023
	Actual	Actual
Net cost of operations after government funding and transfers	\$(15,408)	\$(2,496)
Change due to tangible capital assets		
Acquisition of tangible capital assets	100,439	0
Amortization of tangible capital assets	(40,858)	(40,858)
Total change due to tangible capital assets	(59,581)	(40,858)
Increase (decrease) in departmental net debt	(44,173)	(43,354)
Departmental net debt - Beginning of Year	743,883	787,237
Departmental net debt - End of Year	\$788,055	\$743,883

The accompanying notes form an integral part of these financial statements.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Statement of Cash Flows (Unaudited)

For the Year Ended March 31

(in dollars)

	2024	2023
Operating activities		
Net cost of operations before government funding and transfers	\$17,480,728	\$13,935,773
Non-cash items:		
Amortization of tangible capital assets (note 7)	(40,858)	(40,858)
Services provided without charge by other government departments (note 8)	(1,767,585)	(1,513,500)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	(93,236)	47,229
Decrease (increase) in accounts payable and accrued liabilities	(162,820)	(357,307)
Decrease (increase) in vacation pay and compensatory leave	(37,349)	56,330
Decrease (increase) in employee future benefits	(14,146)	8,841
Cash used in operating activities	15,364,734	12,136,508
Capital investing activities		
Acquisition of tangible capital assets (Note 7)	100,439	0
Cash used in capital investing activities	100,439	0
Net cash provided by Government of Canada	\$15,465,173	\$12,136,508

The accompanying notes form an integral part of these financial statements.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

1. Authority and objectives

The Civilian Review and Complaints Commission for the RCMP (CRCC) is a federal agency reporting to Parliament that receives and reviews public complaints about the conduct of members of the RCMP in the performance of any duty or function under the *Royal Canadian Mounted Police Act*. The CRCC is entirely separate from and independent of the RCMP. The mandate of the CRCC is set out in Part VII of the *Royal Canadian Mounted Police Act* and can be summarized as follows:

- To receive complaints from the public about the conduct of RCMP members;
- To conduct reviews when complainants are not satisfied with the RCMP's handling of their complaints;
- To hold hearings and carry out investigations; and
- To report findings and make recommendations.

The CRCC has two core responsibilities, Independent Review of the RCMP and Internal Services. Internal Services include all services that support the program, including management and oversight, communications, legal, human resources, financial management, procurement, information management and technology and other administrative services.

2. Summary of significant accounting policies

These financial statements have been prepared using the Government's accounting policies stated below, which are 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) Parliamentary authorities

The CRCC is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the CRCC do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting. The planned results amounts in the "Expenses" and "Revenues" sections of the Statement of Operations and Departmental Net Financial Position are the amounts reported in the Future-oriented Statement of Operations included in the 2023-24 Departmental Plan. Planned results are not presented in the "Government funding and transfers" section of the Statement of Operations and Departmental Net Financial Position and in the Statement of Change in Departmental Net Debt because these amounts were not included in the 2023-24 Departmental Plan.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

2. Summary of significant accounting policies (continued)

(b) Net cash provided by government

The CRCC operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the CRCC is deposited to the CRF and all cash disbursements made by the CRCC are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the Government.

(c) Amounts due from or to the CRF

Amounts due from or to the CRF are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that the CRCC is entitled to draw from the CRF without further authorities to discharge its liabilities.

(d) Revenues

Revenues are comprised of revenues earned from non-tax sources. They include exchange transactions where goods or services are provided for consideration where a performance obligation exists, and non-exchange transactions where no performance obligations exist to provide a good or service. These transactions can be recurring or non-recurring in nature. Recurring transactions are viewed as ongoing, routine activities that form part of the normal course of operations and can be used to indicate if they can be reasonably expected to be earned again in future years.

Deferred revenue consists of amounts received in advance of the delivery of goods and rendering of services that will be recognized as revenue in a subsequent fiscal year as it is earned. Other 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 department's liabilities. While the Chair of CRCC is expected to maintain accounting control, he or she has no authority regarding the disposition of non-respendable revenues. As a result, non-respendable revenues are earned on behalf of the Government of Canada and are therefore presented as a reduction of the entity's gross revenues. Revenues earned on behalf of Government consist of the sale of services and gains on the sale of assets. These are recognized when earned.

(e) Expenses

Expenses are recorded on the accrual basis:

- Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment.
- Services provided without charge by other government departments for accommodation and employer contributions to the health and dental insurance plans are recorded as operating expenses at their carrying value.

(f) Employee future benefits

Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer pension plan administered by the Government. The CRCC's contributions to the Plan are charged to expenses in the year incurred and represent the CRCC's total obligation to the Plan. Current legislation does not require the CRCC to make contributions for any actuarial deficiencies of the Plan. The CRCC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

Severance benefits: The accumulation of severance benefits for voluntary departures ceased for applicable employee groups. The remaining obligation for employees who did not withdraw benefits is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Accounts receivable and advances

Accounts receivable are initially recorded at cost and where necessary, are discounted to reflect their concessionary terms. When necessary, an allowance for valuation is recorded to reduce the carrying value of accounts receivable to amounts that approximate their net recoverable value.

(h) Non-financial assets

The costs of acquiring land, buildings, equipment and other capital property are capitalized as tangible capital assets and, except for land, are amortized to expense over the estimated useful lives of the assets, as described in Note 7. All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. Tangible capital assets do not include immovable assets located on reserves as defined in the Indian Act, works of art, museum collection and Crown land to which no acquisition cost is attributable; and intangible assets.

Inventories are valued at cost and are comprised of spare parts and supplies held for future program delivery and are not primarily intended for resale. Inventories that no longer have service potential are valued at the lower of cost or net realizable value.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP**Notes to the Financial Statements (Unaudited)****For the Year Ended March 31, 2024*****(i) Measurement uncertainty***

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported and disclosed amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes at March 31. The estimates are based on facts and circumstances, historical experience, general economic conditions and reflect the Government's best estimate of the related amount at the end of the reporting period. The most significant items where estimates are used are contingent liabilities, the liability for employee future benefits and the useful life of tangible capital assets.

Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

(j) Related party transactions

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis and are measured at the carrying amount, except for the following:

- i. Services provided on a recovery basis are recognized as revenues and expenses on a gross basis and measured at the exchange amount.
- ii. Certain services received on a without charge basis are recorded for departmental financial statement purposes at the carrying amount.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

3. Parliamentary authorities

The CRCC receives most of its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Departmental Net Financial Position and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the CRCC has different net results 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 current year authorities used:

	2024	2023
		(in dollars)
Net cost of operations before government funding and transfers	\$17,480,728	\$13,935,773
<i>Adjustments for items affecting net cost of operations but not affecting authorities:</i>		
Amortization of tangible capital assets (note 7)	(40,858)	(40,858)
Adjustments to previous year's expenditures	25,167	12,732
Services provided without charge by other government departments (note 8)	(1,767,585)	(1,513,500)
Decrease (increase) in vacation pay and compensatory leave	(37,349)	56,330
Decrease (increase) in employee future benefits	(14,146)	8,841
Refund of prior year expenditures	2,158	3,824
Bad debt expense	0	0
	(1,832,613)	(1,472,631)
<i>Adjustments for items not affecting net cost of operations but affecting authorities:</i>		
Acquisitions of tangible capital assets	100,439	0
Increase in salary overpayments	45,981	16,520
	146,420	16,520
Current year authorities used	\$ 15,794,533	\$ 12,479,662

(b) Authorities provided and used:

	2024	2023
		(in dollars)
Vote 1 – Program expenditures	\$15,371,652	\$11,782,608
Contributions to employee benefits plan	1,667,279	1,286,836
	17,038,931	13,069,444
Less:		
Lapsed : Operating	(1,244,398)	(589,782)
Current year authorities used	\$15,794,533	\$12,479,662

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

4. Accounts payable and accrued liabilities

The following table presents details of the CRCC's accounts payable and accrued liabilities:

	2024	2023
		(in dollars)
Accounts payable to other government departments and agencies	\$132,525	\$200,660
Accounts payable to external parties	450,002	335,697
Total accounts payable	582,527	536,357
Accrued liabilities	502,385	385,735
Total accounts payable and accrued liabilities	\$1,084,912	\$922,092

5. Employee future benefits**(a) Pension benefits**

The CRCC's employees participate in the Public Service Pension Plan (the "Plan"), which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plan benefits and they are indexed to inflation.

Both the employees and the CRCC contribute to the cost of the Plan. Due to the amendment of the *Public Service Superannuation Act* following the implementation of provisions related to Economic Action Plan 2012, employee contributors have been divided into two groups – Group 1 relates to existing plan members as of December 31, 2012 and Group 2 relates to members joining the Plan as of January 1, 2013. Each group has a distinct contribution rate.

The 2023-24 expense amounts to \$987,196 (\$840,690 in 2022-23). For Group 1 members, the expense represents approximately 1.02 times (1.02 times in 2022-23) the employee contributions and, for Group 2 members, approximately 1.00 times (1.00 times in 2022-23) the employee contributions.

The CRCC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the Financial Statements of the Government of Canada, as the Plan's sponsor.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31

5. Employee future benefits (continued)*(b) Severance benefits*

Severance benefits provided to the CRCC's employees were previously based on an employee's eligibility, years of service and salary at termination of employment. However, since 2011 the accumulation of severance benefits for voluntary departures progressively ceased for substantially all employees. Employees subject to these changes were given the option to be paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits upon departure from the public service. By March 31, 2024, substantially all settlements for immediate cash out were completed. Severance benefits are unfunded and, consequently, the outstanding obligation will be paid from future authorities.

The changes in the obligations during the year were as follows:

	2024	2023
		(in dollars)
Accrued benefit obligation - Beginning of year	\$239,197	\$248,038
Expense for the year	795	(9,237)
Benefits paid during the year	13,351	396
Accrued benefit obligation - End of year	\$253,343	\$239,197

6. Accounts receivable and advances

The following table presents details of the CRCC's accounts receivable and advances balances:

	2024	2023
		(in dollars)
Receivables – Other government departments and agencies	\$48,926	\$118,840
Receivables – External parties	128,036	143,566
Employee advances	7,409	15,200
Total accounts receivable	\$184,371	\$277,606

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

6. Accounts Receivable and Advances (continued)

The following table provides an aging analysis of accounts receivable from external parties and the associated valuation allowances used to reflect their net recoverable value.

	2024	2023
	(in dollars)	
Accounts receivable from external parties		
Not past due	\$127,852	\$142,910
Number of days past due:		
1 to 30	0	0
31 to 60	0	0
61 to 90	0	0
91 to 365	0	0
Over 365	598	598
Sub-total	128,450	143,508
Less: Valuation allowance	0	0
Total	\$128,450	\$143,508

7. Tangible capital assets

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost.

The CRCC does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on Indian Reserves and museum collections.

Asset Class	Amortization Period
Computer hardware	4 to 7 years
Computer software	3 to 5 years
Other equipment including furniture	5 years
Leasehold improvements	Over the useful life of the improvement or the lease term, whichever is shorter
Assets under construction	once in service, in accordance with asset type

	(in dollars)									
	Cost				Accumulated amortization				Net book value	
Capital asset class	Opening balance	Acquisitions	Adjustments	Closing balance	Opening balance	Amortization	Disposals & write-offs	Closing balance	2024	2023
Computer hardware	\$513,540	100,439	0	613,979	417,833	40,858	0	458,692	155,287	95,707
Computer software	15,569	0	0	15,569	15,569	0	0	15,569	0	0
Other equipment including furniture	181,061	0	0	181,061	181,061	0	0	181,061	0	0
Leasehold improvements	813,111	0	0	813,111	813,111	0	0	813,111	0	0
Total	\$1,523,281	100,439	0	1,623,720	1,427,574	40,858	0	1,468,433	155,287	95,707

Assets under construction are recorded in the applicable asset class in the year they are put into service and are not amortized until they are put into service.

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

8. Related party transactions

The CRCC is related as a result of common ownership to all government departments, agencies, and Crown corporations. Related parties also include individuals who are members of key management personnel or close family members of those individuals, and entities controlled by, or under shared control of, a member of key management personnel or a close family member of that individual. The CRCC enters into transactions with these entities in the normal course of business and on normal trade terms. In addition, the CRCC has an agreement with Public Safety Canada related to the provision of finance, human resource and security services. During the year, the CRCC received common services which were obtained without charge from other government departments as disclosed below.

(a) Common services provided without charge by other government departments

During the year the CRCC received services without charge from certain common service organizations related to accommodation, and the employer's contribution to the health and dental insurance plans. These services provided without charge have been recorded in the CRCC's Statement of Operations and Departmental Net Financial Position as follows:

	2024	2023
		(in dollars)
Accommodations	\$732,921	\$728,587
Employer's contribution to the health and dental insurance plans	1,034,664	784,913
Total	\$1,767,585	\$1,513,500

The Government has centralized some of its administrative activities for efficiency, cost-effectiveness purposes and economic delivery of programs to the public. As a result, the Government uses central agencies and common services organization so that one department performs services for all other departments and agencies without charge. The costs of these services, such as payroll and cheque issuance services provided by Public Services and Procurement Canada and audit services provided by the Office of the Auditor General are not included in the CRCC's Statement of Operations and Departmental Net Financial Position.

(b) Other transactions with related parties

	2024	2023
		(in dollars)
Accounts receivable – Other government departments and agencies	\$48,926	\$118,840
Accounts payable – Other government departments and agencies	132,525	200,660
Expenses – Other government departments and agencies	550,579	206,153

Expenses and revenues disclosed in (b) exclude common services provided without charges, which are already disclosed in (a).

CIVILIAN REVIEW AND COMPLAINTS COMMISSION FOR THE RCMP

Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2024

9. Segmented information

Presentation by segment is based on the CRCC's core responsibility. The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in note 2. The following table presents the expenses incurred and revenue generated for the main program, by major object of expenses and by major type of revenues. The segment results for the period are as follows:

	2024			2023
				(in dollars)
Expenses	Independent Review of the RCMP	Internal services	Total	Total
Operating expenses				
Salaries and employee benefits	\$10,373,593	3,722,492	14,096,085	10,922,223
Professional and special services	532,297	556,452	1,088,749	740,944
Accommodation	541,774	198,310	740,084	743,491
Rentals	34,421	367,140	401,561	264,167
Information	27,951	1,976	29,927	33,197
Communication	0	75,857	75,857	53,843
Utilities, materials and supplies	56,915	16,265	73,180	60,516
Equipment	777	160,508	161,285	629,945
Amortization	0	40,858	40,858	40,858
Repair and maintenance	2,880	4,937	7,817	4,271
Travel and relocation	144,220	5,420	149,640	96,470
Bad debt expense	0	0	0	0
Other	215,483	400,202	615,685	345,848
Total expenses	11,930,311	5,550,417	17,480,728	13,935,773
Revenues				
Miscellaneous revenues	0	0		
Revenue earned on behalf of government	0	0		
Total revenues	0	0		
Net cost of operations before government funding and transfers	\$11,930,311	5,550,417	17,480,728	13,935,773