

Invest in Canada Quarterly Financial Report

For the quarter ended June 30, 2021

1. Introduction

This quarterly report has been prepared by management as required by section 65.1 of the Financial Administration Act and in the form and manner prescribed by the Treasury Board GC 4400 Accounting Standard. It should be read in conjunction with the Main Estimates. This report has not been subject to an external audit or review.

1.1 Authority and Mandate

As outlined in the *Invest in Canada Act*, for the purpose of supporting economic prosperity and stimulating innovation in Canada, Invest in Canada's (IiC) mandate is to:

- a. promote foreign direct investment in Canada and attract and facilitate that investment; and
- b. coordinate the efforts of the government, the private sector, and other stakeholders with respect to foreign direct investment in Canada.

1.2 Basis of Presentation

This quarterly report has been prepared using an expenditure basis of accounting. The accompanying Statement of Authorities includes IiC's spending authorities granted by Parliament and those used by the IiC, consistent with the Main Estimates, Supplementary Estimates and Treasury Board vote transfers for the 2021-22 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 purposes of a general election, section 30 of the Financial Administration Act authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

IiC uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

2. Highlights of the Fiscal Quarter and Fiscal Year-to-Date (YTD) Results

2.1 Statement of Authorities

As reflected in the attached Statement of Authorities, IiC's total authorities has remained consistent with the previous year at \$34.2 million.

2.2 Statement of Department Budgetary Expenditures by Standard Object

As per the attached Budgetary Expenditures by Standard Object, total year-to-date net budgetary expenditures (April to June) represent 12% percent of total budgetary authorities available for use. liC expects a large portion of its expenditures to occur in Q3 and Q4 of 2021-22.

As shown in the below statements, liC first quarter expenditures are \$0.6 million higher than the year before. Personnel costs had the largest increase (\$0.5 million) with liC growing to a current staff of 67 individuals compared to 59 at the same time last year.

3. Risks and Uncertainties

Operational risks

Although Covid-19 continues to impact many aspects of the Government of Canada and the Canadian economy, liC has worked to minimize the impacts by actively engaging with investors to explore growth opportunities in Canada. liC continues to lead in marketing and promotion efforts through targeted digital media campaigns and participating in virtual events. liC has also strengthened its research and data activities to continue to provide partners and clients with accurate and timely information.

4. Significant Changes in Relation to Operations, Personnel and Programs

Effective May 20, 2021, Katie Curran has taken on the role of Interim CEO of Invest in Canada, succeeding inaugural CEO Ian McKay, who was named Canada's Ambassador to Japan. As Interim CEO, she will lead Invest in Canada's efforts to promote, facilitate and accelerate global investments into Canada and will continue in this role until a search for a new CEO is complete.

Approved by:

Original Signed by	Original Signed by
Katie Curran Interim Chief Executive Officer and Chief Administrative Officer	Timothy MacDonald Deputy Chief Financial Officer

Ottawa, Ontario
August 30, 2021

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Statement of Authorities (unaudited)

	Fiscal Year 2021-22 (in thousands of dollars)		Fiscal Year 2020-21 (in thousands of dollars)	
	Total available for use for the year ending March 31, 2022*	Used during the quarter ended June 30, 2021	Total available for use for the year ending March 31, 2021*	Used during the quarter ended June 30, 2020
(in thousands of dollars)				
Budgetary Authorities				
Vote 1 - Program Expenditures	34,272	4,258	34,292	3,662
Less: Revenues netted against expenditures	-	-	-	-
Total Budgetary Authorities	34,272	4,258	34,292	3,662

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

Invest in Canada is responsible for all employee benefit and pension contributions

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Budgetary expenditures by Standard Object (unaudited)

	Fiscal Year 2021-22 (in thousands of dollars)		Fiscal Year 2020-21 (in thousands of dollars)	
	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended June 30, 2021	Planned expenditures for the year ending March 31, 2021	Expended during the quarter ended June 30, 2020
(in thousands of dollars)				
Expenditures:				
Personnel	9,000	2,227	8,642	1,749
Transportation and Communications	500	6	1,768	11
Information	16,000	1,458	10,475	337
Professional and Special Services	8,052	461	12,532	1,427
Rentals	100	85	160	95
Repair and Maintenance	120	-	200	1
Utilities, Material and Supplies	200	1	50	2
Acquisition of land, buildings and works	-	-	85	-
Acquisition of Machinery and Equipment	300	3	380	39
Other Subsidies and Payments	-	16	-	1
Total gross budgetary expenditures	34,272	4,258	34,292	3,662
Total Net Budgetary Expenditures	34,272	4,258	34,292	3,662