

Invest in Canada Quarterly Financial Report

For the quarter ended December 31, 2022

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 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 Invest in Canada's spending authorities granted by Parliament and those used by Invest in Canada, consistent with the Main Estimates, Supplementary Estimates and Treasury Board vote transfers for the 2022-2023 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.

Invest in Canada 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

Invest in Canada received \$33,611,551 in funding through the Main Estimates. During the second quarter, Invest in Canada received its operating budget carry forward (OBCF) from 2021-22 which represents an increase in authorities of \$1,713,578 bringing the total authorities available in 2022-2023 to \$35,325,129. This funding profile is consistent with previous years.

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 December) represent 55% of total authorities available for use.

As shown in the below statements, Invest in Canada's year-to-date spending is \$1,881,229 more than the year before. The increase is due to expanded activities in relation to events, marketing campaigns and investor service business meetings in the first three quarters. As per the previous year, Invest in Canada expects a large portion of its expenditures to occur in Q4 of this fiscal year.

3. Risks and Uncertainties

Invest in Canada conducts an annual risk assessment exercise as part of its overall risk management approach. In response to the COVID-19 pandemic, Invest in Canada identified increased enterprise-wide risks including risks to employee physical and mental health. Invest in Canada employs risk-based mitigation such as business continuity planning, occupational health and safety planning and people management strategies such as employee engagement surveys and regular employee communication to mitigate these risks.

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

No significant changes

Approved by:

Original Signed by	Original Signed by
Laurel Broten Chief Executive Officer	Katie Curran Chief Administrative Officer
Ottawa, Ontario January 31, 2023	

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Statement of Authorities (unaudited)

	Fiscal Year 2022-23 (in thousands of dollars)			Fiscal Year 2021-22 (in thousands of dollars)		
	Total available for use for the year ending March 31, 2023*	Used during the quarter ended December 31, 2022	Year to date used at quarter-end	Total available for use for the year ending March 31, 2022	Used during the quarter ended December 31, 2021	Year to date used at quarter-end
(in thousands of dollars)						
Budgetary Authorities						
Vote 1 - Program Expenditures	35,325	7,973	19,355	35,987	7,923	17,474
Less: Revenues netted against expenditures						
Total Budgetary Authorities	35,325	7,973	19,355	35,987	7,923	17,474

*Increase of \$1.7 million related to receiving the 2021-22 OBCF.

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

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Budgetary expenditures by Standard Object (unaudited)

	Fiscal Year 2022-23 (in thousands of dollars)			Fiscal Year 2021-22 (in thousands of dollars)		
	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended December 31, 2022	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended December 31, 2021	Year to date used at quarter-end
(in thousands of dollars)						
Expenditures:						
Personnel	9,500	2,468	6,962	9,000	2,231	6,636
Transportation and Communications	250	242	738	500	106	143
Information	19,713	3,802	8,448	17,715	4,406	8,043
Professional and Special Services	5,000	1,241	2,459	8,052	1,000	2,262
Rentals	437	133	526	100	54	206
Repair and Maintenance	25	1	1	120	-	1
Utilities, Material and Supplies	100	6	20	200	29	37
Acquisition of land, buildings and works	-	-	0	-	(33)	-
Acquisitions of Machinery and Equipment	300	79	205	300	143	143
Other Payments	-	1	(4)	-	(13)	3
Total Net Budgetary Expenditures	35,325	7,973	19,355	35,987	7,923	17,474