



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

2024–2025 Annual Financial Report

Financial Results

For the fiscal year ended March 31, 2025

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Section 1 – Overview

This report summarizes the financial results of the House of Commons for the year ended March 31, 2025. It provides a high-level overview of key financial outcomes, as well as the operational context.

The House of Commons' total budget for 2024-2025 was \$757.9M, of which a surplus of \$17.5M was realized. This surplus represents 4% of the voted Main Estimates and is within the maximum allowable carry-forward of \$22.4M (5% of the voted Main Estimates). The overall surplus of \$17.5M is mainly due to lower spending by Members relative to their budget and reduced travel during the prorogation period. These savings were partially offset by increased costs for initiatives approved by the Board of Internal Economy (Board) that did not receive dedicated funding.

Key initiatives, such as the Transformation of Parliamentary Proceedings, upgrades to constituency office technology and economic increase for certain House Administration employees, were funded using internal resources.

The financial statements included in this report have been prepared in accordance with Canadian public sector accounting standards and were audited by KPMG LLP, resulting in an unqualified opinion.

Governance

The Board is the governing body of the House of Commons. The Board makes decisions and provides direction on financial and administrative matters of the House of Commons, specifically concerning its premises, services employees and Members. This authority is given to the Board by the *Parliament of Canada Act*. The Board consists of the Speaker, who acts as Chair, and the appointed Members representing all recognized parties. The Clerk of the House of Commons, who reports to the Speaker, serves as Secretary to the Board.

The House of Commons consists of two programs: the Members and House Officers program and the House Administration program. The Members and House Officers program includes the financial results for Members and House Officers' activities and for Committees, Parliamentary Associations and Parliamentary Exchanges.

Additional details on the roles of each of these groups can be found in the annual Report to Canadians, published on ourcommons.ca.

Section 2 – Executive summary

Financial highlights

The 2024–2025 *Annual Financial Report* highlights the financial performance of the House of Commons, reflecting a strong commitment to prudent fiscal management and effective resource allocation.

Key financial highlights

- **Total budget:** \$757.9M (includes services received without charge and statutory adjustments).
- **Surplus realized:** \$17.5M (4% of the voted Main Estimates), which is lower than the maximum allowable carry-forward of \$22.4M (5% of the voted Main Estimates).
 - The overall surplus of \$17.5M is mainly due to lower spending by Members relative to their budget and reduced travel during the prorogation period. These savings were partially offset by increased costs for Board-approved initiatives that did not receive dedicated funding.

Carry-forward request

The House Administration is seeking approval to carry forward the full \$22.4M into 2025–2026 to continue to fund strategic initiatives and House operations. The carry-forward will be allocated as follows:

- \$7.3M to the office budgets of Members and House Officers, in accordance with the *Members' Allowances and Services Manual* (MAS); and
- \$15.1M to the House Administration to fund initiatives supporting Members and House operations.

Audited financial statements

KPMG LLP has issued an unqualified audit opinion on the House of Commons' financial statements for the year ended March 31, 2025. Section 4 of this report contains the audited financial statements, including the auditor's report on page 17.

Budget – Reconciliation

For the year ended March 31, 2025, the House's budget totalled \$757.9M, and is comprised of:

(in thousands of dollars)

Main Estimates	623,692
Supplementary Estimates (B) (carry-forward, security, economic increases)	41,389
Authorities approved by the Board	665,081
Adjustments at year-end for statutory authorities	(3,502)
Parliamentary authorities available to the House	661,579
Adjustments consistent with Canadian public sector accounting standards ¹	96,290
Total adjusted budget	757,869

¹ Section 5 – Appendix: Authorities available to the House consistent with Canadian public sector accounting standards

Financial results of operations by program

The House's financial results of operations by program are as follows:

<i>(in thousands of dollars)</i>	2024–2025 Budget	2024–2025 Net results	\$ Variance	% Variance	2023–2024 Net results	\$ Change	% Change
Members and House Officers	368,936	353,165	15,771	4%	363,961	(10,796)	(3%)
Committees, Parliamentary Associations and Parliamentary Exchanges	9,762	6,094	3,668	38%	6,831	(737)	(11%)
Members and House Officers program	378,698	359,259	19,439	5%	370,792	(11,533)	(3%)
House Administration program	264,838	266,800	(1,962)	(1%)	271,622	(4,822)	(2%)
Total net operating expenses	643,536	626,059	17,477	3%	642,414	(16,355)	(3%)
Services received without charge	114,333	114,333	-	-	109,386	4,947	5%
Total net cost of operations	757,869	740,392	17,477	2%	751,800	(11,408)	(2%)

The House's net cost of operations totalled **\$740.4M**. This represents a decrease of **\$11.4M** compared to the previous year and an unused budget of **\$17.5M**, or **2%**. This surplus was realized across business programs as follows:

- **Members and House Officers:** net operating expenses totalled **\$353.2M**, resulting in a **\$15.8M** surplus;
- **Committees, Parliamentary Associations and Parliamentary Exchanges:** net operating expenses totalled **\$6.1M**, resulting in a **\$3.7M** surplus; and
- **House Administration:** net operating expenses totalled **\$266.8M**, reflecting a **\$2M** shortfall.

The total of **\$114.3M** for services received without charge represents an increase of **\$4.9M** compared to the previous year. The increase is primarily attributable to a change in the measurement basis for the calculation of the employer's share of insurance premiums for Members. Services received without charge also include accommodation services provided by Public Services and Procurement Canada for the office spaces used by the House, employer contributions to health and dental insurance plans, and administrative charges for worker compensation payments. These costs are not part of the House's Main Estimates tabled in Parliament as they are provided without charge.

A detailed reconciliation of net cost of operations to this year's parliamentary authorities can be found in note 3(a) of Section 4 – Audited financial statements.

Section 3 – Comparative financial information

Financial results of operations by expense and revenue category

The House's financial results of operations by expense and revenue category are as follows:

<i>(in thousands of dollars)</i>	2024–2025 Budget	2024–2025 Net results	\$ Variance	% Variance	2023–2024 Net results	\$ Change	% Change
Salaries and benefits	486,338	489,807	(3,469)	(1%)	510,741	(20,934)	(4%)
Transportation and telecommunications	47,819	46,044	1,775	4%	48,538	(2,494)	(5%)
Professional and special services	31,155	29,803	1,352	4%	25,393	4,410	17%
Rentals and licences	32,467	31,803	664	2%	28,087	3,716	13%
Computer and office equipment, furniture and fixtures	18,092	18,177	(85)	-	13,513	4,664	35%
Utilities, materials and supplies	14,899	11,718	3,181	21%	12,165	(447)	(4%)
Advertising and printing services	18,402	15,527	2,875	16%	14,479	1,048	7%
Amortization of tangible capital assets	10,132	10,132	-	-	10,399	(267)	(3%)
Repairs and maintenance	9,095	6,923	2,172	24%	6,368	555	9%
Transfer payments to international associations	1,189	1,471	(282)	(24%)	1,417	54	4%
Net loss (gain) on disposal of tangible capital assets	77	77	-	-	26	51	196%
Other	1,693	1,263	430	25%	787	476	60%
Total operating expenses	671,358	662,745	8,613	1%	671,913	(9,168)	(1%)
Revenues							
Cost recoveries	(24,891)	(32,890)	7,999	(32%)	(25,695)	(7,195)	28%
Food Services sales	(2,720)	(3,585)	865	(32%)	(3,614)	29	(1%)
Other	(211)	(211)	-	-	(190)	(21)	11%
Total revenues	(27,822)	(36,686)	8,864	(32%)	(29,499)	(7,187)	24%
Total net operating expenses	643,536	626,059	17,477	3%	642,414	(16,355)	(3%)
Other expenses: services received without charge¹							
Accommodations	76,813	76,813	-	-	78,600	(1,787)	(2%)
Employer's contribution to health and dental insurance plans	37,397	37,397	-	-	30,617	6,780	22%
Workers' compensation payments	123	123	-	-	169	(46)	(27%)
Total other expenses	114,333	114,333	-	-	109,386	4,947	5%
Total net cost of operations	757,869	740,392	17,477	2%	751,800	(11,408)	(2%)

¹ Details on services received without charge can be found in note 14(a) of Section 4 – Audited financial statements.

Overall, the House's total net cost of operations of **\$740.4M** represent a decrease of **\$11.4M** (2%) when compared to the previous year. This decrease is mainly due to the following:

- **Salaries and benefits:** The key items contributing to the overall **\$20.9M** decrease are:
 - an actuarial adjustment of \$32.8M made in the previous year to the Members of Parliament Retiring Allowances (MPRA) and Members of Parliament Retirement Compensation Arrangements (MPRCA) accounts, as directed in the *Actuarial Report on the Pension Plan for the Members of Parliament as at 31 March 2022*; and
 - retroactive payments for economic increases provided in the previous year for certain House Administration employees.

The reductions above were partially offset by increases due to

- cost-of-living increases and a higher number of employees for Members and House Officers;
 - a statutory increase in Members' sessional allowance and additional salaries in accordance with the *Parliament of Canada Act*; and
 - the staffing to sustain and enhance security programs, the transformation of parliamentary proceedings, election preparedness and Member-focused projects.
- **Professional and special services:** Increase of **\$4.4M** mainly due to support for various projects addressing the needs of the House and its Members, and increased security services for Members.
- **Rentals and licences:** Increase of **\$3.7M** is mainly due to higher IT licensing costs for systems supporting Members and the House Administration and increases in constituency office rental fees.
- **Computer and office equipment, furniture and fixtures:** Increase of **\$4.7M** is mainly due to the purchase of computer equipment and multifunction devices as part of the technology lifecycle updates for Members' constituency and Hill offices, and an increase in security equipment for constituency offices.
- **Revenues:** Increase of **\$7.2M** primarily the result of higher recoveries for services provided to federal departments such as Public Services and Procurement Canada, stemming from new projects and increased salary rates. Additional recoveries are associated with upgrades to the Parliamentary Precinct Network and security services provided to partners.
- **Services received without charge:** Overall increase of **\$4.9M** is mainly due to a higher employer contribution to health and dental insurance plans. This is primarily driven by a change in the measurement basis, upward adjustments in salaries and a lower contribution rate. Remaining variance is due to a decrease in accommodations costs.

Results of operations by program

Members and House Officers program

Members and House Officers (activities)

Members and House Officers' financial results of operations by expense and revenue category are detailed below:

<i>(in thousands of dollars)</i>	2024–2025 Budget	2024–2025 Net results	\$ Variance	% Variance	2023–2024 Net results	\$ Change	% Change
Salaries and benefits	262,147	250,890	11,257	4%	271,197	(20,307)	(7%)
Transportation and telecommunications	36,065	37,284	(1,219)	(3%)	38,937	(1,653)	(4%)
Professional and special services	10,225	10,178	47	-	8,828	1,350	15%
Rentals and licences	21,103	20,322	781	4%	18,420	1,902	10%
Computer and office equipment, furniture and fixtures	8,006	10,847	(2,841)	(35%)	4,358	6,489	149%
Utilities, materials and supplies	9,073	6,910	2,163	24%	6,342	568	9%
Advertising and printing services	18,313	15,378	2,935	16%	14,335	1,043	7%
Amortization of tangible capital assets	682	682	-	-	-	682	-
Repairs and maintenance	2,306	1,545	761	33%	944	601	64%
Net loss (gain) on disposal of tangible capital assets	1	1	-	-	-	1	-
Other	1,156	827	329	28%	640	187	29%
Total operating expenses	369,077	354,864	14,213	4%	364,001	(9,137)	(3%)
Revenues							
Cost recoveries	(81)	(1,639)	1,558	(1,923%)	-	(1,639)	-
Other	(60)	(60)	-	-	(40)	(20)	50%
Total revenues	(141)	(1,699)	1,558	(1,105%)	(40)	(1,659)	4,148%
Total net operating expenses	368,936	353,165	15,771	4%	363,961	(10,796)	(3%)

The total net operating expenses of **\$353.2M** for the Members' and House Officers' activities represent a decrease of **\$10.8M** (3%) when compared to the previous year. The key year-over-year variances are the following:

- **Salaries and benefits:** Decrease of **\$20.3M** mainly due to a previous year actuarial adjustment of \$32.8M to the MPRA and MPRCA accounts, as directed in the *Actuarial Report on the Pension Plan for the Members of Parliament as at 31 March 2022*. This decrease was partially offset by a statutory increase in the Members' sessional allowance and additional salaries in accordance with the *Parliament of Canada Act*, along with higher employee benefit plans, cost-of-living increases for Members' and House Officers' employees and a higher overall number of employees.

- **Transportation and telecommunications:** Decrease of **\$0.2M** mainly due to lower travel-related expenses (flights, hotels, per diem, kilometre reimbursement, etc.) for Members and their staffs, as a result of the prorogation period, during which all parliamentary proceedings in the Chamber and in committees were suspended.
- **Professional and special services:** Increase of **\$1.4M** mainly due to initiatives to sustain and enhance security support for Members, as well as an increase in Members' hospitality events. The increase is partially offset by a temporary decrease in support costs due to the implementation of a transitional operating model.
- **Rentals and licences:** Increase of **\$1.9M** is mainly due to higher IT licensing costs for systems supporting Members, and increased in constituency office rental fees.
- **Computer and office equipment, furniture and fixtures:** Increase of **\$6.5M** is mainly due to the purchase of computer equipment and multifunction devices as part of the technology lifecycle updates for Members' constituency and Hill offices, as well as an increase in security equipment for constituency offices.
- **Revenues:** Increase of **\$1.7M** mainly due to the recoveries of security services provided to partners.

Members and House Officers' activities ended the year with a surplus of **\$15.8M**.

Committees, Parliamentary Associations and Parliamentary Exchanges

Committees, Parliamentary Associations and Parliamentary Exchanges' financial results of operations by expense and revenue category are detailed below:

<i>(in thousands of dollars)</i>	2024–2025	2024–2025	\$	%	2023–2024	\$	%
	Budget	Net results	Variance	Variance	Net results	Change	Change
Salaries and benefits	500	543	(43)	(9%)	530	13	2%
Transportation and telecommunications	8,124	4,456	3,668	45%	5,776	(1,320)	(23%)
Professional and special services	1,295	1,200	95	7%	1,284	(84)	(7%)
Rentals and licences	1,021	526	495	48%	63	463	735%
Computer and office equipment, furniture and fixtures	4	-	4	100%	-	-	-
Utilities, materials and supplies	8	15	(7)	(88%)	17	(2)	(12%)
Advertising and printing services	-	3	(3)	-	5	(2)	(40%)
Transfer payments to international associations	954	1,282	(328)	(34%)	1,184	98	8%
Other	13	50	(37)	(273%)	22	28	127%
Total operating expenses	11,919	8,075	3,844	32%	8,881	(806)	(9%)
Revenues							
Cost recoveries	(2,082)	(1,906)	(176)	8%	(1,968)	62	(3%)
Other	(75)	(75)	-	-	(82)	7	(9%)
Total revenues	(2,157)	(1,981)	(176)	8%	(2,050)	69	(3%)
Total net operating expenses	9,762	6,094	3,668	38%	6,831	(737)	(11%)

The total net operating expenses of **\$6.1M** for Committees, Parliamentary Associations and Parliamentary Exchanges represent a decrease of **\$0.7M** (11%) when compared to the previous year. The key year-over-year variances are the following:

- **Transportation and telecommunications:** Decrease of **\$1.3M** mainly due to lower travel-related expenses (flights, hotels, per diem, kilometre reimbursement, etc.) for Committees, Parliamentary Associations and Parliamentary exchanges stemming from the prorogation period, during which all parliamentary proceedings in the Chamber and in committees were suspended, as well as lower overall travel costs for conferences held in the current year compared to previous year.
- **Rentals and licences:** Increase of **\$0.5M** due to rental of audio and video equipment for the 49th Annual Session of the Assemblée parlementaire de la Francophonie (APF), and the 70th Annual Session of the North Atlantic Treaty Organization (NATO) Parliamentary Assembly.

Committees, Parliamentary Associations and Parliamentary Exchanges ended the year with a surplus of **\$3.7M**, primarily due to reduced spending on committee activities and conferences and the impact of the prorogation period.

House Administration program

The House Administration's financial results of operations by expense and revenue category are detailed below:

<i>(in thousands of dollars)</i>	2024–2025 Budget	2024–2025 Net results	\$ Variance	% Variance	2023–2024 Net results	\$ Change	% Change
Salaries and benefits	223,691	238,374	(14,683)	(7%)	239,014	(640)	-
Transportation and telecommunications	3,630	4,304	(674)	(19%)	3,825	479	13%
Professional and special services	19,635	18,425	1,210	6%	15,281	3,144	21%
Rentals and licences	10,343	10,955	(612)	(6%)	9,604	1,351	14%
Computer and office equipment, furniture and fixtures	10,082	7,330	2,752	27%	9,155	(1,825)	(20%)
Utilities, materials and supplies	5,818	4,793	1,025	18%	5,806	(1,013)	(17%)
Advertising and printing services	89	146	(57)	(64%)	139	7	5%
Amortization of tangible capital assets	9,450	9,450	-	-	10,399	(949)	(9%)
Repairs and maintenance	6,789	5,378	1,411	21%	5,424	(46)	(1%)
Transfer payments to international associations	235	189	46	20%	233	(44)	(19%)
Net loss (gain) on disposal of tangible capital assets	76	76	-	-	26	50	192%
Other	524	386	138	26%	125	261	209%
Total operating expenses	290,362	299,806	(9,444)	(3%)	299,031	775	-
Revenues							
Cost recoveries	(22,728)	(29,345)	6,617	(29%)	(23,727)	(5,618)	24%
Food Services sales	(2,720)	(3,585)	865	(32%)	(3,614)	29	(1%)
Other	(76)	(76)	-	-	(68)	(8)	12%
Total revenues	(25,524)	(33,006)	7,482	(29%)	(27,409)	(5,597)	20%
Total net operating expenses	264,838	266,800	(1,962)	(1%)	271,622	(4,822)	(2%)

The total net operating expenses of **\$266.8M** for the House Administration represent a decrease of **\$4.8M** (2%) when compared to the previous year. This decrease is mainly due to:

- **Professional and special services:** Increase of **\$3.1M** mainly due to support for various projects to address the needs of the House and its Members.
- **Rentals and licences:** Increase of **\$1.4M** mainly due to higher IT licensing costs for systems supporting the House Administration.
- **Computer and office equipment, furniture and fixtures:** Decrease of **\$1.8M** mainly due to the transfer of data centre equipment purchases to the Members and House Officers program.

- **Revenues:** Increase of **\$5.6M** primarily resulting from higher recoveries for services provided to federal government departments such as Public Services and Procurement Canada, stemming from new projects and increased salary rates. Additional recoveries are associated with upgrades to the Parliamentary Precinct Network that were provided to partners.

Despite economic pressures, the House Administration continued to effectively deliver its programs. However, it recorded a **\$2M (1%)** budgetary shortfall at year-end. This shortfall is mainly attributable to unfunded costs absorbed for non-salary inflation, Board-approved initiatives such as the transformation of parliamentary proceedings and economic increases for certain House Administration employees.

The House of Commons received Supplementary Estimates of \$21.2M for the 2023–2024 operating budget carry-forward, allocated in fiscal year 2024–2025 as follows: \$7.9M to Members’ and House Officers’ office budgets and \$13.3M to strategic and operational initiatives managed by the House Administration to support Members. Key initiatives included the following:

- \$3.2M for Members’ services and House operations;
- \$2.5M for compliance initiatives such as the *House of Commons Accessibility Plan 2023–25*;
- \$2.3M for the implementation of My Financials (new financial system for Members’ claims); and
- \$1.4M for IT upgrades and enhancements.

Important events and current operating environment

Impacts on spending trends

Inflation: The adjusted consumer price index (CPI)² rose slightly from 2.0% in March 2024 to 2.2% in March 2025, reflecting a continued rise in the cost of living, though at a slower rate than in the previous year. The House Administration does not factor in non-salary inflationary adjustments into the Main Estimates. The House Administration continues to monitor and assess these impacts and will seek additional funding if required.

Tariffs: Although new U.S. global tariffs had no material impact on the House’s financial performance in 2024–2025 (due largely to the timing of their implementation late in the fiscal year), their future implications remain uncertain. For fiscal year 2025–2026, these trade measures may affect the cost and availability of goods, introducing new volatility into procurement and financial planning. In addition to tariffs, signs of upward pressure on prices are beginning to emerge in some categories. Executive oversight will remain focused on monitoring developments, assessing potential supply chain risks, and ensuring that procurement strategies remain agile and aligned with organizational priorities.

Prorogation: Travel expenses were lower than anticipated due to the prorogation of Parliament, announced on January 6, 2025, during which all parliamentary proceedings in the Chamber and in committees were suspended.

² The adjusted CPI excludes volatile components like fruits and vegetables, gasoline, mortgage interest rates and tobacco products.

Business transformation initiatives

Accessibility: The House officially published its [Accessibility Plan 2023-2025](#) in December 2022. Prepared in accordance with the [Accessible Canada Act](#), this plan outlines the steps the House will take to identify, remove and prevent barriers that limit the full and equal participation of persons with disabilities. The House recognizes that every person has their own strengths and challenges, and it values this diversity.

The [2024 Progress Report](#), released in December 2024, highlights several significant accomplishments such as:

- Significant improvements to website accessibility and to training for Members, their staff and House Administration managers to provide them with the necessary tools to support employees with disabilities;
- The introduction of a policy to better support employees with disabilities; and
- The creation of a group for employees with disabilities and their supportive colleagues to promote a more inclusive organization.

Additional details on these initiatives are available in the 2024 Progress Report.

Enhancements to the security environment: Continued advancement on various initiatives regarding security enhancements for Members, which began in 2020-2021, will continue into 2025-2026 and beyond. These initiatives aim to provide a safe and secure environment to Members and their staff when they are in the parliamentary precinct, their residences and their constituencies.

Infrastructure investment: The investment needed to modernize and rehabilitate Centre Block (now known as the Parliament Building) through its Long-Term Vision and Plan (LTVP) continued this year. The objective is to provide parliamentarians with modernized accommodations to meet their needs in terms of technology, broadcasting and videoconferencing, physical security, cybersecurity, as well as accessibility and sustainability.

Strategic Internal Assessment of Operations framework: The House of Commons, under the leadership of the Clerk and with support from the Clerk's Management Group, has developed the Strategic Internal Assessment of Operations (SIAO) framework to enhance efficiency and sustainability. Approved by the Board on December 5, 2024, this framework focuses on efficiencies and improving service delivery through decision-support tools such as service catalogues and performance measures. The SIAO is expected to cover a three-year period and will include continuous reporting on outcomes.

The SIAO aligns with the [House Administration's Strategic Plan 2023–2027](#) and is structured around four key pillars: governance, stewardship, operational efficiency, and risk management.

Section 4 – Audited Financial Statements

For the year ended March 31, 2025

Statement of Management Responsibility

Responsibility for the integrity and objectivity of the Financial Statements of the House of Commons (the House) for the year ended March 31, 2025, and of all information contained in these statements, rests with management.


The Financial Statements have been prepared by management in accordance with Canadian public sector accounting standards, using management's best estimates and judgments where appropriate and giving due consideration to materiality. Financial information submitted to the *Public Accounts of Canada* is consistent with these statements.

Management maintains a system of financial management and internal control, as well as management practices, designed to provide reasonable assurance that the financial information is reliable, that assets are safeguarded, that resources are managed economically and efficiently in the achievement of the House's objectives, and that transactions reflect the By-laws approved by the Board of Internal Economy as well as statutory requirements.

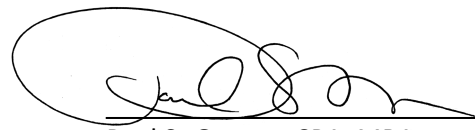
In addition, management seeks to ensure the integrity and objectivity of data in the Financial Statements by careful selection, training and development of qualified employees; by organizational arrangements that provide appropriate divisions of responsibility; and by communication programs aimed at ensuring that regulations, policies, guidelines, standards and managerial authorities are understood throughout the House.

At the request of management, the Financial Statements have been audited by KPMG LLP, the independent auditing firm for the House.

On behalf of the House of Commons,



Eric Janse
Clerk of the House of Commons



Paul St George, CPA, MBA
Chief Financial Officer

Ottawa, Canada
June 4, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Clerk of the House of Commons

Opinion

We have audited the financial statements of the House of Commons (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and net financial position for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the Annual Financial Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Annual Financial Report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 4, 2025

Statement of Financial Position


As at March 31

<i>(in thousands of dollars)</i>	2025	2024
Financial assets		
Cash	8	17
Due from the Consolidated Revenue Fund	29,826	22,510
Accounts receivable – <i>note 7</i>	6,802	7,461
Advances – <i>note 8</i>	652	663
Inventory held for sale	467	442
Total financial assets	37,755	31,093
Liabilities		
Accounts payable and accrued liabilities – <i>note 4</i>	40,871	40,136
Vacation pay and compensatory leave	14,092	13,962
Employee benefits – <i>note 5</i>	32,708	30,363
Centennial Flame Research Award Fund – <i>note 6</i>	18	21
Total liabilities	87,689	84,482
Net debt	49,934	53,389
Non-financial assets		
Prepaid expenses	17,505	15,546
Inventory held for use	11,367	10,289
Tangible capital assets – <i>note 9</i>	59,054	45,632
Total non-financial assets	87,926	71,467
Net financial position – surplus	(37,992)	(18,078)

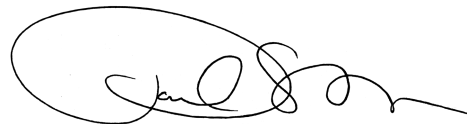
Contractual obligations – *note 10*

Contingent liabilities – *note 11 (a)*

Approved by:



Eric Janse
Clerk of the House of Commons



Paul St George, CPA, MBA
Chief Financial Officer

Ottawa, Canada

June 4, 2025

Statement of Operations and Net Financial Position

For the year ended March 31

	Budget	2025	2024
(in thousands of dollars)	note 12		
Operating expenses – note 15			
Salaries and benefits	486,338	489,807	510,741
Transportation and telecommunications	47,819	46,044	48,538
Professional and special services	31,155	29,803	25,393
Rentals and licences	32,467	31,803	28,086
Computer, office equipment, furniture and fixtures	18,092	18,177	13,514
Utilities, materials and supplies	14,899	11,718	12,165
Advertising and printing services	18,402	15,527	14,479
Amortization of tangible capital assets	10,132	10,132	10,399
Repairs and maintenance	9,095	6,923	6,368
Transfer payments to international associations	1,189	1,471	1,417
Net loss (gain) on disposal of tangible capital assets	77	77	26
Other	1,693	1,263	787
Total operating expenses	671,358	662,745	671,913
Revenues			
Cost recoveries	24,891	32,890	25,695
Food Services – sales	2,720	3,585	3,614
Other	211	211	190
Total revenues	27,822	36,686	29,499
Total net operating expenses	643,536	626,059	642,414
Other expenses			
Services received without charge – note 14 (a)			
Accommodations	76,813	76,813	78,600
Employer's contribution to health and dental insurance plans	37,397	37,397	30,617
Worker's compensation payments	123	123	169
Total other expenses	114,333	114,333	109,386
Net cost of operations	757,869	740,392	751,800
Funding and transfers			
Net cash provided by the Consolidated Revenue Fund	-	(635,313)	(637,828)
Change in due from the Consolidated Revenue Fund	-	(7,316)	1,834
Services received without charge – note 14 (a)	-	(114,333)	(109,386)
Net transfer from federal government departments – note 14 (c)	-	(3,344)	(63)
Net results of operations after funding and transfers	-	(19,914)	6,357
Net financial position – surplus, beginning of year	-	(18,078)	(24,435)
Net financial position – surplus, end of year	-	(37,992)	(18,078)

Statement of Change in Net Debt

For the year ended March 31

<i>(in thousands of dollars)</i>	2025	2024
Net results of operations after funding and transfers	(19,914)	6,357
Change due to tangible capital assets		
Acquisitions of tangible capital assets, net of transfers – <i>note 14 (c)</i>	20,295	15,116
Amortization of tangible capital assets	(10,132)	(10,399)
Net loss on disposal of tangible capital assets	(77)	(26)
Transfer of capital assets from federal government departments – <i>note 14 (c)</i>	3,346	25
Proceeds from disposal of tangible capital assets	(10)	(99)
Total change due to tangible capital assets	13,422	4,617
Change due to inventory held for use	1,078	2,616
Change due to prepaid expenses	1,959	490
Net increase (decrease) in net debt	(3,455)	14,080
Net debt – beginning of year	53,389	39,309
Net debt – end of year	49,934	53,389

Statement of Cash Flows

For the year ended March 31

<i>(in thousands of dollars)</i>	2025	2024
Operating activities		
Net cost of operations	740,392	751,800
Non-cash items		
Services received without charge – note 14 (a)	(114,333)	(109,386)
Amortization of tangible capital assets	(10,132)	(10,399)
Net loss on disposal of tangible capital assets	(77)	(26)
Transfer of salary overpayments to (from) federal government departments – note 14 (c)	2	(38)
Variations in Statement of Financial Position		
Decrease in cash	(9)	(10)
Increase (decrease) in accounts receivable	(659)	165
Decrease in advances	(11)	(8)
Increase in prepaid expenses	1,959	490
Increase in inventory	1,103	2,445
Increase in accounts payable and accrued liabilities	(735)	(8,740)
Increase in vacation pay and compensatory leave	(130)	(666)
Increase in employee benefits	(2,345)	(2,818)
Decrease in Centennial Flame Research Award Fund	3	2
Cash used in operating activities	615,028	622,811
Capital investing activities		
Acquisition of tangible capital assets, net of transfers – note 14 (c)	20,295	15,116
Proceeds from disposal of tangible capital assets	(10)	(99)
Cash used in capital investing activities	20,285	15,017
Net cash provided by the Consolidated Revenue Fund	635,313	637,828

Notes to the Financial Statements

For the year ended March 31

1. Authority and objectives

The **House of Commons** (the House) is the elected assembly of the Parliament of Canada, established under the *Constitution Act, 1867*. It is made up of 343 Members.

The **Board of Internal Economy** (the Board) is the House's governing body. The Board makes decisions and provides direction on the financial and administrative matters of the House, specifically concerning its premises, services, employees, and Members. This authority is given to the Board by the *Parliament of Canada Act*. The Board is chaired by the Speaker and comprised of Members representing all recognized parties.

The **Clerk of the House of Commons** (the Clerk) is the Secretary to the Board and the chief executive of the House Administration, reporting to the Speaker.

Members carry out the roles of legislators and elected representatives of their constituencies. In their constituencies, Members participate in events and activities and hold discussions with constituents about their concerns. In the Chamber, Members participate in debates and study and vote on legislation. Members sit on standing committees and special or joint committees, since the House delegates the in-depth consideration of bills and the thorough scrutiny of the Government's programs and policies to its committees. Members also participate in parliamentary associations and interparliamentary groups, and are members of delegations in parliamentary exchanges. Finally, in caucus, Members develop strategies, discuss policies and examine important issues with fellow caucus Members, and direct the work of research offices. Some Members, such as the Speaker, the Deputy Speaker, House Leaders and Chief Whips, assume additional functions as House Officers.

The **House Administration** (the Administration) provides the support required by Members during a parliament, and serves the House as an institution on a permanent basis by providing continuity from one parliament to another, access to parliamentary records, and a stable infrastructure to support Members in the legislative process. Advice and support are provided through a wide variety of services such as those relating to procedures, legislation, legal matters, information technology and management, building management, food and catering, finance, human resources, and health and safety.

House employees strive to support the institution as well as Members in their roles as legislators and representatives of 343 constituencies in the Chamber, in committee and in caucus. The Administration employs a budgeted number of 1,864 permanent full-time equivalents that report to the Clerk, who is responsible for the day-to-day management of House operations and oversees Corporate Communications, Audit and Improvement, and Curatorial Services.

The Law Clerk and Parliamentary Counsel provides comprehensive legal and legislative services to the Speaker, the Board, Members, committees, the Clerk and the Administration.

Notes to the Financial Statements

For the year ended March 31

1. Authority and objectives (continued)

The Deputy Clerk, Procedure is responsible for Procedural Services and offers a broad range of procedural and legislative advice to the Speaker, Members and House Officers.

The Chief Executive Administrator provides Members with a broad range of administrative services, infrastructure, support and advice to help them carry out their parliamentary functions on the Hill and in their constituencies. The Chief Executive Administrator oversees the functionality and service delivery of several service areas (namely Digital Services and Real Property, the Office of the Sergeant-at-Arms and Corporate Security, Finance Services, Human Resources Services and Parliamentary Precinct Operations), provides services that support strategic planning and reporting activities as well as the technical and administrative infrastructure for the Canadian Parliamentary Press Gallery, and oversees the management of corporate human resource.

2. Summary of significant accounting policies

(a) Basis of presentation

The Financial Statements have been prepared in accordance with Canadian public sector accounting standards.

(b) Parliamentary authorities

The House is funded through parliamentary authorities. Financial reporting of the authorities provided to the House does not parallel financial reporting according to Canadian public sector accounting standards, since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and 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 high-level reconciliation between the bases of reporting.

(c) Net cash provided by the Consolidated Revenue Fund

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

Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(d) Due from the Consolidated Revenue Fund

Amounts due from the Consolidated Revenue Fund (CRF) are the result of timing differences at year-end between the time when a transaction affects authorities and the time when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that the House is entitled to draw from the CRF without further appropriations to discharge its liabilities.

(e) Accounts receivable and advances

Accounts receivable and advances are stated as amounts expected to be realized; a provision is made for receivables where recovery is considered uncertain.

(f) Inventory

i. Inventory held for sale

Inventory held for sale consists of items in the canteens, cafeterias and the Parliamentary Dining Room. This inventory is valued at the lower of cost or net realizable value using the first in, first out method.

ii. Inventory held for use

Inventory held for use consists of consumable parts, material, stationery and office supplies held for future activities. Inventory is valued at the lower of cost or net realizable value using the average cost method, and using the first in, first out method for other items.

Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(g) Tangible capital assets

Tangible capital assets (including software) are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of an asset. Amounts included in assets under development are transferred to the appropriate class of asset upon completion and are then amortized. Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset class	Amortization period
Informatics hardware and infrastructure	3 years
Software	3 to 5 years
Machinery and equipment	5 to 10 years
Vehicles	5 to 7 years
Other equipment	5 to 10 years
Leasehold improvements	Lesser of 10 years or term of lease

The House does not have purchased intangible assets. Other intangible assets, such as works of art or historical treasures that have cultural, aesthetic or historic value, are not recorded in these financial statements.

(h) Employee benefits

i. Salaries, benefits and vacation leave

Salaries, benefits and vacation leave are expensed as they accrue in accordance with the terms of employment. The salaries and benefits liability is calculated based on the terms of employment using the salary levels at year-end and the number of days remaining unpaid at the end of the year. The liability for vacation leave is calculated at the salary levels in effect as at March 31 for all unused vacation leave benefits. Vacation pay liabilities payable upon cessation of employment represent House obligations that are normally funded through the parliamentary authorities of future years.

Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

ii. Employee severance benefits

Employees entitled to severance benefits under labour contracts or conditions of employment earn these benefits as the services necessary to earn them are rendered. The obligation relating to the benefits earned by these employees is calculated as at March 31, based on the employees' earned number of weeks and their salary as at March 31.

As part of collective agreement negotiations with certain employee groups and changes to conditions of employment for executives and certain non-represented employees, the accumulation of severance benefits under the employee severance pay program ceased for these employees as of 2012. Employees subject to these changes have been given the option to be immediately paid the full or partial value of earned benefits or to collect the full or remaining value of benefits upon termination of their employment. The obligation relating to the benefits earned by these employees is calculated based on their earned number of weeks and their salary as at March 31.

iii. Pension benefits

a. Employee pension benefits

Under the *Public Service Superannuation Act*, eligible employees participate in the Public Service Pension Plan (PSPP), which is sponsored and administered by the Government of Canada. The House's contributions to the PSPP are charged to expenses in the year during which they are incurred, and represent the House's total obligation to the PSPP. The House is not required under current legislation to make contributions for any actuarial deficiencies in the PSPP.

b. Members' pension benefits

Eligible Members participate in a defined benefit pension plan under the *Members of Parliament Retiring Allowances Act*, which is sponsored and administered by the Government of Canada. Assets and liabilities for the Members' pension accounts are not included in the House's Statement of Financial Position, as these accounts are the responsibility of the Government of Canada. The House's contributions to these accounts are charged to the salaries and benefits expenses in the year during which they are incurred. Members who are not eligible for an immediate pension are entitled to a severance allowance under the *Parliament of Canada Act* upon ceasing to perform their parliamentary functions. The severance allowance liability is reported in the Government of Canada's financial statements.

Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

iv. Sick leave benefits

Employees are eligible to accumulate sick leave until termination of employment. Unused sick leave is not eligible for payment upon retirement or termination and may not be used as vacation. Sick leave is an accumulated non-vesting benefit. A liability is recorded for sick leave balances expected to be taken in excess of future allotments. The cost of sick leave as well as the present value of the obligation are determined using an actuarial valuation. Any gains and losses are recognized in net results in the period during which they arise.

(i) Contingent liabilities

Contingent liabilities are potential liabilities that may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the Notes to the Financial Statements.

(j) Revenues

Revenues are mostly derived from the provision of information technology and information management services to other parliamentary institutions; long-term accommodation planning related to the parliamentary precinct renovations; and catering and restaurant services. Revenues are recognized in the year in which the underlying transaction or event occurred, performance obligations fulfilled, and future economic benefits are measurable and expected to be obtained.

(k) Services received without charge

Services received without charge from federal government departments and agencies for accommodation services provided by Public Services and Procurement Canada, employer contributions to the health and dental insurance plans paid by Treasury Board Secretariat, and workers' compensation services provided by Employment and Social Development Canada are recorded as operating expenses at their estimated cost.

Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(l) Transfer payments

Transfer payments to international parliamentary and independent associations are recognized in the year in which the recipient met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.

m) Financial instruments

Financial instruments are recorded at fair value on initial recognition, and are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has not elected to record any financial instruments at fair value.

A statement of remeasurement gains and losses is not presented in these financial statements as the House does not have financial instruments requiring remeasurement.

(n) Foreign currency translation

Transactions involving foreign currencies are converted into Canadian dollar equivalents using rates of exchange in effect at the time of the transactions.

(o) Measurement uncertainty

The preparation of the Financial Statements in accordance with Canadian public sector accounting standards requires that management make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the Financial Statements. At the time of preparation of these statements, management believed the estimates and assumptions to be reasonable. Estimates are used mostly for the following significant items: contingent liabilities, the liability for employee severance benefits, the liability of employee sick leave benefits, and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are periodically reviewed, and any necessary adjustments are recorded in the Financial Statements in the year they become known.

Notes to the Financial Statements

For the year ended March 31

3. Parliamentary authorities

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

<i>(in thousands of dollars)</i>	2025	2024
Net cost of operations	740,392	751,800
<i>Adjustments for items affecting net cost of operations but not affecting authorities:</i>		
Services received without charge – note 14 (a)	(114,333)	(109,386)
Prepaid expenses consumption	(18,448)	(17,000)
Amortization of tangible capital assets	(10,132)	(10,399)
Vacation pay and compensatory leave	(130)	(666)
Inventory (used)/received	635	(187)
Loss on disposal of tangible capital assets	(87)	(125)
Refund of previous years' expenditures	156	192
Employee benefits	(2,345)	(2,818)
Transfers to assets under development	8,438	11,794
Other	7,112	(8,983)
	(129,134)	(137,578)
<i>Adjustments for items not affecting net cost of operations but affecting authorities:</i>		
Acquisitions of tangible capital assets	11,779	3,309
Purchases of inventory	468	2,633
Prepaid expenses	20,407	17,490
Other	190	263
	32,844	23,695
Current year authorities used	644,102	637,917

Notes to the Financial Statements

For the year ended March 31

3. Parliamentary authorities (continued)

(b) Authorities provided and used

<i>(in thousands of dollars)</i>	2025	2024
Vote 1 – operating expenditures	487,085	464,200
Statutory amounts	174,494	204,081
	661,579	668,281
Less:		
Lapsed – operating	(17,477)	(30,364)
Current year authorities used	644,102	637,917

4. Accounts payable and accrued liabilities

<i>(in thousands of dollars)</i>	2025	2024
Payables – external parties	12,721	10,845
Payables – federal government departments, agencies and Crown corporations	4,097	826
	16,818	11,671
Accrued salaries and wages	22,080	27,836
Other accrued liabilities	1,973	629
Total accounts payable and accrued liabilities	40,871	40,136

5. Employee benefits

(a) Employee severance benefits

The House provides severance benefits to its employees based on eligibility, years of service and salary at termination of employment. These severance benefits are not funded. Benefits will be paid from future authorities. Information about the severance benefits, measured as at March 31, is as follows:

<i>(in thousands of dollars)</i>	2025	2024
Employee severance benefit obligation – beginning of year	16,619	15,740
Change in liability for the year	3,337	2,141
Benefits paid during the year	(1,366)	(1,262)
Employee severance benefit obligation – end of year	18,590	16,619

Notes to the Financial Statements

For the year ended March 31

5. Employee benefits (continued)

(b) Sick leave benefits

The House provides benefits for sick leave to its eligible employees consisting of one and one-quarter (1¼) days of sick leave per calendar month. Sick leave can only be used for paid time off at the employee's normal rate of pay when the employee is unable to perform their duties because of illness or injury. Unused sick leave benefits accumulate during the employee's period of service and no payment is due to the employee upon termination of employment for unused days. Information about the sick leave benefits, measured as at March 31, is as follows:

<i>(in thousands of dollars)</i>	2025	2024
Employee sick leave benefit obligation – beginning of year	13,744	11,805
Expense for the year:		
Current service cost	1,626	1,565
Interest cost	459	350
Actuarial loss	425	1,893
	16,254	15,613
Benefits paid during the year	(2,136)	(1,869)
Employee sick leave benefit obligation – end of year	14,118	13,744

At March 31 2025, an actuarial valuation of the House of Commons' employee sick leave benefit obligation was completed using the projected benefit method prorated on services. The next actuarial valuation will be completed on March 31, 2027. The significant actuarial assumptions adopted in measuring the employee sick leave benefit obligation are as follows:

	2025	2024
Discount rate	3.10%	3.40%
Rate of compensation economic increase per year:		
2025	3.5%	2.6%
2026 and thereafter	2.6%	2.6%
Average remaining service period of active employees	13.4 years	13.4 years

Notes to the Financial Statements

For the year ended March 31

6. Centennial Flame Research Award Fund

The purpose of the Centennial Flame Research Award Fund is to provide monetary awards that enable persons with disabilities to conduct research and prepare reports on the contributions of one or more persons with disabilities to the public life of Canada or the activities of Parliament. Pursuant to section 3 of the *Centennial Flame Research Award Act*, the Centennial Flame Research Award Fund is credited with money collected from the Centennial Flame monument on Parliament Hill in Ottawa, as well as any money otherwise received as a donation.

7. Accounts receivable

<i>(in thousands of dollars)</i>	2025	2024
Receivables – federal government departments, agencies and Crown corporations	5,930	6,338
Receivables – external parties	2,524	2,775
	8,454	9,113
Allowance for doubtful accounts on external receivables	(1,652)	(1,652)
Total accounts receivable	6,802	7,461

8. Advances

<i>(in thousands of dollars)</i>	2025	2024
Petty cash for Members	580	581
Travel, tuition and other advances	33	41
Petty cash and floats for House of Commons employees	29	31
Postage-related advances	10	10
Total advances	652	663

Notes to the Financial Statements

For the year ended March 31

9. Tangible capital assets

(in thousands of dollars)

	Cost					Accumulated Amortization				Net Book Value	
	March 31, 2024	Acquisi- tions	Disposals and adjustments	Transfers of assets under development	March 31, 2025	March 31, 2024	Amorti- zation	Disposals and adjustments	March 31, 2025	2025	2024
Informatics hardware and infrastructure	18,900	4,925	(2,739)	-	21,086	16,323	2,317	(2,686)	15,954	5,132	2,577
Software	59,493	(13)	(3,661)	4,822	60,641	46,532	4,328	(3,662)	47,198	13,443	12,961
Machinery and equipment	10,187	2,697	(567)	-	12,317	7,816	698	(565)	7,949	4,368	2,371
Vehicles	2,244	-	-	-	2,244	1,480	241	-	1,721	523	764
Other equipment	9,502	1,107	(665)	-	9,944	5,603	990	(636)	5,957	3,987	3,899
Leasehold improvements	16,031	2,850	(222)	4,454	23,113	10,454	1,558	(217)	11,795	11,318	5,577
Assets under development	17,483	12,075	1	(9,276)	20,283	-	-	-	-	20,283	17,483
Total	133,840	23,641	(7,853)	-	149,628	88,208	10,132	(7,766)	90,574	59,054	45,632

In the year, the House received proceeds of \$10,000 (2024 - \$99,080) and incurred a loss of \$77,468 (2024 - \$26,247) on the disposal of tangible capital assets.

Notes to the Financial Statements

For the year ended March 31

10. Contractual obligations

The nature of the House's activities can result in some large multi-year obligations whereby the House will be obligated to make future payments when the goods are received and services are rendered. Significant contractual obligations that can be reasonably estimated are as follows:

<i>(in thousands of dollars)</i>	2026	2027	2028	2029	2030 and thereafter	Total
Supplier agreements	19,656	1,881	600	620	328	23,085

In the normal course of operations, the House assumes a contractual obligation through guarantees provided with respect to Members' constituency office leases. These guarantees cover up to four months of lease costs in the event that a lease is terminated for various operational reasons. Based on lease costs that can be incurred by the House as at March 31, 2025, the maximum obligation is estimated to be \$4,327,975 (\$4,080,193 as at March 31, 2024).

11. Contingent liabilities

(a) Contingent liabilities

Contingent liabilities arise in the normal course of operations and their ultimate disposition is unknown.

(b) Claims and litigation

Claims have been made against the House in the normal course of operations. These claims include items with pleading amounts and other items for which no amount is specified. While the total amount claimed in these actions is significant, their outcomes are not determinable at this time, with the exception of the amounts disclosed below.

The House has recorded an allowance for claims and litigation in the amount of \$521,400 (\$185,700 in 2023-2024), where it is likely that a future payment and a reasonable estimate of the loss can be made. This allowance is based on management's best estimate, an analysis of the specific claims, and historical experience with similar claims. Management believes that the ultimate disposition of these claims will not significantly exceed the allowance amount.

Notes to the Financial Statements

For the year ended March 31

12. Budget figures

Given the difference between parliamentary authorities which are primarily based on cash flow requirements and Canadian public sector accounting standards which follow an accrual basis, the budget figures presented in the Financial Statements have been adjusted to conform to an accrual basis of accounting. The following table provides a high-level reconciliation between the budget's reporting bases:

<i>(in thousands of dollars)</i>	2025
Total authorities available to the House (note 3(b))	661,579
Services received without charge	114,333
Capitalized expenditures and amortization	(1,647)
Prepaid expenses	(1,959)
Transfers to assets under development	(8,438)
Inventories	(1,103)
Other adjustments	(4,896)
Total budget adjusted on accrual basis	757,869

13. Pension benefits

(a) Employee pension benefits

Under the *Public Service Superannuation Act*, eligible employees participate in the Public Service Pension Plan (PSPP), 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% per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with those of the Canada Pension Plan and the Québec Pension Plan, and indexed to inflation.

Both employees and the House contribute to the cost of the PSPP. Contributions made by the House, included in salaries and benefits expenses, totalled \$ 32,772,239 (\$28,541,919 in 2023-2024). This amount represents approximately 1.02 times (1.02 times in 2023-2024) the employees' contributions for existing members who were required to contribute to the cost of the PSPP prior to January 1, 2013, and 1 time (1 time in 2023-2024) for new members required to contribute on or after January 1, 2013.

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

Notes to the Financial Statements

For the year ended March 31

13. Pension benefits (continued)

(b) Members' pension benefits

Members participate in a pension plan consisting of two separate accounts, the Members of Parliament Retiring Allowances and the Members of Parliament Retirement Compensation Arrangements, which are sponsored and administered by the Government of Canada. Members are eligible to receive a retirement allowance from age 65 or a reduced retirement allowance from age 55, upon termination of their parliamentary functions and after having contributed to the pension plan for at least six years. Pension benefits accrue at a rate of 3% of the highest average of annual pensionable earnings over any period of five years, multiplied by the number of years of pensionable service, to a maximum of 75% of the average annual pensionable earnings. Retirement allowances are indexed to inflation once recipients reach age 60.

Both Members and the House contribute to the cost of the pension plan. Contributions made by the House, included in salaries and benefits expenses, totalled \$16,048,337 (16,266,007 in 2023-2024).

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

Notes to the Financial Statements

For the year ended March 31

14. Related party transactions

The House is related, as a result of common ownership, to all federal departments and agencies, and Crown corporations. The House enters into transactions with these entities in the normal course of business and on agreed-upon exchange amounts.

(a) Services received without charge

During the year, the House received services that were obtained without charge from federal government departments and agencies. These services received without charge have been recorded in the House's Statement of Operations and Net Financial Position as follows:

<i>(in thousands of dollars)</i>	2025	2024
Public Services and Procurement Canada – accommodations	76,813	78,600
Treasury Board Secretariat – employer's share of insurance premiums	37,397	30,617
Employment and Social Development Canada – administrative charges related to workers' compensation payments	123	169
Total services received without charge	114,333	109,386

The Government of Canada has centralized some of its administrative activities for efficiency purposes and economic delivery of programs to the public. As a result, common service organizations provide specific services to all federal government departments and agencies without charge. The cost of these services, such as payroll, cheque issuance services, interpretation and translation services provided by Public Services and Procurement Canada, is not included as an expense in the House's Statement of Operations and Net Financial Position.

(b) Other transactions with related parties

Expenses shown below include services received without charge as described in section (a) of this note.

<i>(in thousands of dollars)</i>	2025	2024
Expenses – federal government departments and agencies	172,470	166,549
Recoveries – federal government departments and agencies	33,193	26,029

Notes to the Financial Statements

For the year ended March 31

14. Related party transactions (continued)

(c) Transfers from other government departments

During the year, the House has recorded transactions resulting from transfers with federal government departments and agencies as follows:

<i>(in thousands of dollars)</i>	2025	2024
Tangible capital assets received from Public Services and Procurement Canada		
Transferred net book value	13,915	7,090
Write-down after the House applied its capital policy	(10,569)	(7,065)
Recorded net transfer of tangible capital asset	3,346	25
Salary overpayment from employees transferred to and from government departments	(2)	38
Total net transfer from federal government departments	3,344	63

15. Operating expenses by function

<i>(in thousands of dollars)</i>	2025	2024
Members and House Officers	354,864	364,001
Committees, Parliamentary Associations and Parliamentary Exchanges	8,075	8,881
House Administration	299,806	299,031
Total operating expenses	662,745	671,913

Notes to the Financial Statements

For the year ended March 31

16. Financial risks

The House is subject to the following financial risks from its financial instruments:

- a) Credit risk refers to the risk that the counterparty to a financial instrument will cause a financial loss to the House by failing to discharge an obligation. The House is exposed to credit risk relating to its accounts receivable and advances disclosed in notes 7 and 8, which are due mostly from federal government departments, agencies and Crown corporations and external parties. Management believes that these balances do not have significant credit risk in excess of the allowances for doubtful accounts that have been provided.
- b) Liquidity risk refers to the risk that the House will encounter difficulty in meeting its obligations associated with its financial liabilities. The House receives annual Parliamentary authorities. The House manages liquidity risk by ensuring that total annual expenditures are within these authorities, as disclosed in note 3(b).
- c) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The House's financial instruments are not subject to significant market risk as it does not hold investments, debt or foreign currency.

The House's financial risks, and the process to manage these risks, have not changed significantly from the prior year.

17. Comparative information

Certain 2024 comparative information has been reclassified to conform to the financial statement presentation adopted for the current year. These changes do not affect prior year Net Cost of Operations or Net Debt.

Section 5 – Appendix

Authorities available to the House to total adjusted budget consistent with Canadian public sector accounting standards

(in thousands of dollars)

	2024–2025	2023–2024	\$ Change
Main Estimates	623,692	597,134	26,558
Supplementary Estimates (B)	41,389	19,763	21,626
Supplementary Estimates (C)	-	24,328	(24,328)
Total authorities approved by the Board	665,081	641,225	23,856
Adjustments at year-end for used statutory authorities	(3,502)	27,056	(30,558)
Total parliamentary authorities available to the House	661,579	668,281	(6,702)
Adjustments consistent with Canadian public sector accounting standards			
Services received without charge	114,333	109,386	4,947
Capitalized expenditures and amortization	2,559	7,090	(4,531)
Prepaid expenses	(1,960)	(490)	(1,470)
Transfers to assets under development	(8,438)	(11,794)	3,356
Inventories	(5,309)	(2,446)	(2,863)
Other adjustments	(4,895)	12,137	(17,032)
Total adjustments	96,290	113,883	(17,593)
Total adjusted budget	757,869	782,164	(24,295)

The budget is consistent with note 12 of the audited financial statements.