



PARLIAMENTARY PROTECTIVE SERVICE
SERVICE DE PROTECTION PARLEMENTAIRE
CANADA

**FINANCIAL STATEMENTS
2019 | 2020**

**FOR THE YEAR ENDED
MARCH 31, 2020**



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Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying Financial Statements of the Parliamentary Protective Service for the year ended March 31, 2020, and of all information contained in these statements rests with management.

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

Management maintains a system of financial management, and internal control and 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 Parliamentary Protective Service objectives and that transactions reflect the policies in force and statutory requirements.

Management also seeks to ensure the objectivity and integrity of data in its Financial Statements by careful selection, training, and development of qualified staff; 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 Parliamentary Protective Service.

At the request of management, these Financial Statements have been audited by KPMG LLP, the independent auditors of the Parliamentary Protective Service.

On behalf of the Parliamentary Protective Service,

Kevin Leahy
Director, Parliamentary Protective Service

Eric Savard
Chief Financial Officer

Ottawa, Canada
February 18, 2021





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INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of the Parliamentary Protective Service (the Entity), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations and net financial position for the year then ended
- the statement of change 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, 2020, and its net cost 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.

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
February 18, 2021



Statement of Financial Position

As at March 31

<i>(in thousands of dollars)</i>	2020	2019
Financial assets		
Due from the Consolidated Revenue Fund	18,363	10,495
Accounts receivable (<i>note 6</i>)	3,177	776
Advances (<i>note 7</i>)	5	17
<hr/>		
<i>Total financial assets</i>	21,545	11,288
Non-financial assets		
Prepaid expenses	37	46
Inventory held for use	2,826	2,534
Tangible capital assets (<i>note 8</i>)	1,567	1,490
<hr/>		
<i>Total non-financial assets</i>	4,430	4,070
Total assets	25,975	15,358
Liabilities		
Accounts payable and accrued liabilities (<i>note 4</i>)	21,436	11,127
Vacation pay and compensatory leave	2,699	2,327
Contingent liabilities	230	–
Employee future benefits (<i>note 5</i>)	1,659	1,556
<hr/>		
<i>Total liabilities</i>	26,024	15,010
Net financial position – (surplus)/deficit	(49)	348
<hr/>		
Contractual obligations (<i>note 9</i>)		
Contingent liabilities (<i>note 10</i>)		
Impact of COVID-19 (<i>note 14</i>)		

The accompanying notes form an integral part of these Financial Statements.



Statement of Operations and Net Financial Position

For the year ended March 31

<i>(in thousands of dollars)</i>	Budget <i>(note 11)</i>	2020	2019
Net financial position – beginning of year		348	309
Expenses			
Operating			
Salaries and benefits	77,737	77,737	58,431
Professional and special services	13,700	13,696	18,531
Accommodations	2,953	2,953	1,963
Computers, office equipment, furniture and fixtures	2,687	2,684	6,407
Repair and maintenance	742	685	2,268
Amortization of tangible capital assets	462	462	342
Utilities, materials and supplies	445	448	598
Rentals	319	336	556
Other	271	271	23
Transportation and communications	240	270	148
Information	120	129	60
Net loss on disposal of tangible capital assets	21	26	–
Total expenses	99,697	99,697	89,327
Revenues			
Cost recoveries		1,659	520
Other		108	91
Total revenues		1,767	611
Net cost of operations		97,930	88,716
Funding and transfers			
Net cash provided by the Consolidated Revenue Fund		80,579	97,181
Change in due from the Consolidated Revenue Fund		7,868	(14,749)
Services received without charge <i>(note 13 (a))</i>		8,871	5,992
Transfer from other government departments		215	331
Net cost of operations after funding and transfers		397	(39)
Net financial position – end of year		(49)	348

The accompanying notes form an integral part of these Financial Statements.



Statement of Change in Net Debt

For the year ended March 31

<i>(in thousands of dollars)</i>	2020	2019
Net debt - beginning of year	3,722	3,294
Net cost of operations after funding and transfers	397	(39)
Change due to tangible capital assets		
Acquisitions of tangible capital assets	325	521
Amortization of tangible capital assets	(462)	(342)
Net loss on disposals of tangible capital assets	(26)	-
Transfer of capital assets from federal government entities	240	331
Adjustments to capital assets	-	(86)
Total change due to tangible capital assets	77	424
Change due to inventory held for use	292	71
Change due to prepaid expenses	(9)	(28)
Net increase in net debt	757	428
Net debt - end of year	4,479	3,722
Consisting of:		
Financial liabilities	26,024	15,010
Less: Financial assets	21,545	11,288
	4,479	3,722

The accompanying notes form an integral part of these Financial Statements.



Statement of Cash Flows

For the year ended March 31

<i>(in thousands of dollars)</i>	2020	2019
Operating activities		
Net cost of operations	97,930	88,716
Non-cash items		
Services received without charge <i>(note 13 (a))</i>	(8,871)	(5,992)
Adjustments to capital assets	–	(86)
Amortization of tangible capital assets	(462)	(342)
Net loss on disposal of tangible capital assets	(26)	–
Variations in Statement of Financial Position		
Increase (decrease) in accounts receivable	2,401	(314)
Increase (decrease) in advances	(12)	(17)
Increase (decrease) in prepaid expenses	(9)	(28)
Increase (decrease) in inventory held for use	292	71
Decrease (increase) in accounts payable and accrued liabilities	(10,309)	15,223
Decrease (increase) in contingent liabilities	(230)	–
Decrease (increase) in vacation pay and compensatory leave	(372)	(518)
Decrease (increase) in employee future benefits	(103)	(53)
Cash used in operating activities	80,229	96,660
Capital investing activities		
Acquisition of tangible capital assets	325	521
Transfer of assets to federal government departments	25	–
Cash used in capital investing activities	350	521
Net cash provided by the Consolidated Revenue Fund	80,579	97,181

The accompanying notes form an integral part of these Financial Statements.



Notes to the Financial Statements

For the year ended March 31

1. Authority and objectives

The **Parliamentary Protective Service** is a self-governing institution established on June 23, 2015 as a statutory office by Royal Assent under subsection 79.52(1) of the *Parliamentary of Canada Act*. The Parliamentary Protective Service brings together the former Senate and House of Commons protection services and the Royal Canadian Mounted Police's Parliament Hill Security Unit into a unified security service.

The Parliamentary Protective Service is led by a Director and reports to the Senate, the House of Commons and the Royal Canadian Mounted Police. For policy and administrative issues related to security services within the Parliamentary Precinct, the Parliamentary Protective Service reports to the Speakers of the Senate and the House of Commons. For all operational issues, the Director reports to the Commissioner of the Royal Canadian Mounted Police through the Commanding Officer of National Division.

The Parliamentary Protective Service is responsible for physical security throughout the Parliamentary Precinct and on the grounds of Parliament Hill. The Parliamentary Protective Service plays a critical role in ensuring the safety of parliamentarians, employees, and visitors within the Parliamentary Precinct. The Parliamentary Protective Service is responsive to the needs of the evolving environment and is responsible for protective operations, scanning and access control, perimeter protection, alarm monitoring, operational communications and ceremonial traditions. In addition to these responsibilities, the Parliamentary Protective Service works closely with various partners to coordinate security and safety efforts across the precinct. Key partners include the Senate Corporate Security Directorate, the House of Commons Corporate Security Office, the Royal Canadian Mounted Police National Division and the Ottawa Police Service.



Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies

(a) Basis of presentation

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

(b) Parliamentary authorities

The Parliamentary Protective Service is funded through parliamentary authorities. Financial reporting of authorities provided to the Parliamentary Protective Service 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 Parliamentary Protective Service operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Parliamentary Protective Service is deposited to the CRF, and all cash disbursements made by the Parliamentary Protective Service 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.

(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 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 Parliamentary Protective Service 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 ultimately realized.

(f) Inventory held for use

Inventory held for use consists of consumable parts, uniforms, 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

The Parliamentary Protective Service does not capitalize intangibles, works of art or historical treasures that have cultural, aesthetic or historical value. Amounts included in assets under development are transferred to the appropriate asset class 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:

<u>Asset Class</u>	<u>Amortization Period</u>
Informatics hardware and infrastructure	3 years
Software	3 to 5 years
Machinery and equipment	5 to 7 years
Vehicles	5 to 7 years
Arms and Weapons	15 years
Other equipment	5 to 10 years

(h) Employee future 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 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 at March 31 for all unused vacation leave benefits. Vacation pay liabilities payable upon cessation of employment represent the Parliamentary Protective Service obligations that are normally funded through future years' parliamentary authorities.



Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (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, commencing in 2012. Employees subject to these changes were given the option to be immediately paid the full or partial value of benefits earned to date or to collect the full or remaining value of benefits on termination of their employment. The obligation relating to the benefits earned by these employees is calculated based on the employee's earned number of weeks and their salary as at March 31.

iii. Employee pension benefits

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

iii. Sick leave

Employees are permitted to accumulate unused sick leave which they can only use in the event of an illness. Accumulated unused sick leave upon employee termination is not payable to the employee. No related amount has been accrued in these financial statements. The accrued liability relating to this benefit is recognized in the financial statements of the Government of Canada.

(i) Contingent liabilities

Contingent liabilities are potential liabilities that may become actual liabilities if 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.



Notes to the Financial Statements

For the year ended March 31

2. Summary of significant accounting policies (continued)

(j) Revenues

Revenues are mostly derived from specific event fees where the Parliamentary Protection Service must increase security personnel as a result of the event. Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

(k) Services received without charge

Services received without charge from federal government departments for accommodation and employer contributions to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

(l) Foreign currency transactions

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

(m) Measurement uncertainty

The preparation of these 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 believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance 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.



Notes to the Financial Statements

For the year ended March 31

3. Parliamentary authorities

The Parliamentary Protective Service 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. Consequently, the Parliamentary Protective Service 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>	2020	2019
Net cost of operations	97,930	88,716
<i>Adjustments for items affecting net cost of operations but not affecting authorities:</i>		
Services received without charge (<i>note 13 (a)</i>)	(8,871)	(5,992)
Amortization of tangible capital assets	(462)	(342)
Net loss on disposal of tangible capital assets	(26)	–
Increase (decrease) in contingent liabilities	(230)	–
Increase (decrease) in employee future benefits	(103)	(50)
Refund of previous years' expenditures	59	15
Increase (decrease) in vacation pay and compensatory leave	(372)	(518)
Prepaid expenses consumption	(46)	(50)
Other	31	1,425
	(10,020)	(5,512)
<i>Adjustments for items not affecting net cost of operations but affecting authorities:</i>		
Acquisitions of tangible capital assets	325	521
Increase in inventory	292	71
Transfer from other government departments	116	–
Other	32	49
	765	641
Current year authorities used	88,675	83,845



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>	2020	2019
Vote 1 – Operating expenditures	81,787	85,791
Statutory amounts	9,158	7,286
	90,945	93,077
Less:		
Lapsed – Operating	2,270	(9,232)
Current year authorities used	88,675	83,845

4. Accounts payable and accrued liabilities

<i>(in thousands of dollars)</i>	2020	2019
Payables – External parties	754	944
Payables – Federal government entities	2,152	5,255
	2,906	6,199
Accrued liabilities	18,530	4,928
Total accounts payable and accrued liabilities	21,436	11,127



Notes to the Financial Statements

For the year ended March 31

5. Employee future benefits

(a) Employee severance benefits

The Parliamentary Protective Service 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>	2020	2019
Employee severance benefit obligation – beginning of year	1,556	1,503
Change in liability for the year	279	168
Benefits paid during the year	(176)	(115)
Employee severance benefit obligation – end of year	1,659	1,556

6. Accounts receivable

<i>(in thousands of dollars)</i>	2020	2019
Receivables – Federal government entities	2,935	494
Receivables – External parties	242	282
Total accounts receivable	3,177	776

7. Advances

<i>(in thousands of dollars)</i>	2020	2019
Salary advances	5	17
Total advances	5	17



Notes to the Financial Statements

For the year ended March 31

8. Tangible capital assets

(in thousands of dollars)

	Cost					Accumulated Amortization					Net Book Value			
	Opening balance	Acquisitions	Disposal and adjustments	Transfer of assets from OGD	Other	Closing balance	Opening balance	Amortization	Disposal and adjustments	Transfer from OGD	Other	Closing balance	2020	2019
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Informatics hardware and infrastructure	19	24	-	-	(19)	24	19	-	-	(19)	-	24	-	
Software	303	-	-	-	-	303	202	101	-	-	-	303	-	101
Machinery and equipment	2,153	158	(615)	(51)	19	1,664	1,437	204	(595)	(34)	19	1,031	633	716
Vehicles	628	143	-	413	-	1,184	94	146	6	156	-	402	782	534
Other equipment	9	-	-	-	-	9	2	2	-	-	-	4	5	7
Arms and Weapons	132	-	-	-	-	132	-	9	-	-	-	9	123	132
Total	3,244	325	(615)	362	-	3,316	1,754	462	(589)	122	-	1,749	1,567	1,490



Notes to the Financial Statements

For the year ended March 31

9. Contractual obligations

The nature of the Parliamentary Protective Service' activities can result in some large multi-year obligations whereby the Parliamentary Protective Service will be obligated to make future payments when the goods are received and services are rendered. The Parliamentary Protective Service has estimated that there are no significant contractual obligations to be presented in these Financial Statements.

10. Contingent liabilities

As of March 31, 2020, some claims or possible claims against the Parliamentary Protective Service exist; specifically, one claim relating to an employee and two claims relating to employee groups. These claims have been or will be referred to adjudication by the Federal Public Labour Relations and Employment Board. As at March 31, 2020 these three claims have been assessed as likely to occur and a reasonable estimate for each claim has been made based on Legal Counsel and management's assessment of the particulars of each claim. A contingent liability of \$230,000 has been recorded at March 31, 2020.

11. Budget figures

Given the difference between parliamentary authorities and Canadian public sector accounting standards, the budget figures presented have been adjusted to conform to the basis of accounting for these Financial Statements. Note 3 provides a high-level reconciliation between the bases of reporting.



Notes to the Financial Statements

For the year ended March 31

12. Employee pension benefits

Employees of the Parliamentary Protective Service 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 two percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with the Canada Pension Plan and Québec Pension Plans benefits and are indexed to inflation.

Both the employees and the Parliamentary Protective Service contribute to the cost of the PSPP. Contributions made by the Parliamentary Protective Service, included in salaries and benefits expense, totaled \$4,772,163 (\$4,435,284 in 2018-2019).

The Parliamentary Protective Service's responsibility with regards 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 PSPP's sponsor.



Notes to the Financial Statements

For the year ended March 31

13. Related party transactions

The Parliamentary Protective Service is related, as a result of common ownership, to all Government of Canada departments, agencies, and Crown corporations. The Parliamentary Protective Service enters into transactions with these entities in the normal course of business and on normal trade terms.

(a) Services received without charge

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

<i>(in thousands of dollars)</i>	2020	2019
Public Services and Procurement Canada – Accommodations	2,953	1,963
Treasury Board Secretariat – Employer's share of insurance premiums	5,918	4,029
Total services received without charge	8,871	5,992

The Government of Canada has centralized some of its administrative activities to ensure the efficient and cost effective 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 and cheque issuance services provided by Public Services and Procurement Canada, is not included as an expense in the Parliamentary Protective Service'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>	2020	2019
Expenses – Federal government entities	28,884	36,500
Recoveries – Federal government entities	1,659	580



Notes to the Financial Statements

For the year ended March 31

14. Impact of COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and societal impact on Canada.

At the time of approval of these financial statements, the Parliamentary Protection Service administration has implemented several health and safety measures such as:

- Mandated work from home for all employees occupying positions for which duties do not require them to have physical on-site access;
- Only employees occupying positions that directly support Critical Services (CS) or Critical Support Function (CSF) and that require on-site access to complete their duties are to be in the workplace (I.e. Operational members and administrative staff deemed essential);
- Implementation of a Pandemic Planning Working Group (PPWG) responsible to conduct internal assessments to analyze, review and table recommendations for a Service-wide holistic risk management strategy to reduce the likelihood of current/future pathogen spread;
- Implementing a two-meter physical distancing and addition of physical installations (plexiglass, convex mirrors, signage, decals, etc.) in all PPS workspaces and areas in accordance with guidance from leading public health agencies to mitigate pathogen spread;
- Incorporating new and modified precautionary measures in the workplace such as meetings conducted virtually whenever possible, respect maximum occupancy established per room and area, wash or sanitize hands when entering and leaving the Service workspace or common areas/spaces, clean and disinfect all furniture and appliances after each use in all of the Service common areas and workspace, wear issued cloth masks when in closed offices, rooms, area, when a 2 meter distancing is not feasible and when in transit, clean and sanitize all personal equipment such as radio, radio battery, baton, firearm, etc., dry-clean uniform after each shift to minimize the risk of cross contamination, etc.;
- Employee mandatory use of all safety equipment and/or personal protective equipment (PPE) provided by the Service such as mask, gloves, etc.; and
- Established a Service-wide pandemic work strategy intended to support and inform a gradual/phased return to work and effectively manage the risk of exposure to the virus in the workplace.

The COVID-19 pandemic is dynamic and the ultimate duration and magnitude of the impact on operating expenditures of the Parliamentary Protective Service is not known at this time.

