Canadian human rights commission | Commission canadienne des droits de la personne

# 2025-26 Financial Statements

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# Statement of management responsibility including financial control over financial reporting

**Canadian Human Rights Commission**

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2026 and all information contained in these financial statements rests with the management of the Canadian Human Rights Commission (Commission). These financial statements have been prepared by management using the Government of Canada's accounting policies, which are based on Canadian public sector accounting standards.

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

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

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

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

The Commission has undertaken a risk-based assessment of the system of ICFR in accordance with the Treasury Board Policy on Financial Management, and the results of the assessment conducted by an independent firm for the year ended March 31, 2026 and action plan are summarized in the annex.

The financial statements of the Commission have not been audited.

[original signed by]
Charlotte-Anne Malischewski
Chief Commissioner
Ottawa, Canada September 4, 2026

[original signed by]
Kevin Petit-Frère
Chief Financial Officer

**Statement of financial position (unaudited)**
**as at March 31**
**(in dollars)**

| | 2026 | 2025 |
|---|---|---|
| **Liabilities** | | |
| Accounts payable and accrued liabilities (note 4) | 3,980,164 | 4,413,460 |
| Vacation pay and compensatory leave | 2,144,226 | 2,043,429 |
| Employee future benefits (note 5) | 721,448 | 774,349 |
| **Total liabilities** | **6,845,838** | **7,231,238** |
| **Financial assets** | | |
| Due from the Consolidated Revenue Fund | 3,655,886 | 4,314,019 |
| Accounts receivable and advances (note 6) | 585,385 | 289,914 |
| **Total financial assets** | **4,241,271** | **4,603,933** |
| **Net debt** | **2,604,567** | **2,627,305** |
| **Non-financial assets** | | |
| Prepaid expenses | - | 18,134 |
| Tangible capital assets (note 7) | 2,167,811 | 2,777,104 |
| **Total non-financial assets** | **2,167,811** | **2,795,238** |
| **Net financial position** | **(436,756)** | **167,933** |

Contractual obligations (note 8)

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

[original signed by]
Charlotte-Anne Malischewski
Chief Commissioner
Ottawa, Canada September 4, 2026

[original signed by]
Kevin Petit-Frère
Chief Financial Officer

**Statement of operations and net financial position (unaudited)**
**for the year ended March 31**
**(in dollars)**

| | Planned Results 2026 | 2026 | 2025 |
|---|---|---|---|
| **Expenses** | | | |
| Engagement and Advocacy | 6,892,337 | 7,113,449 | 7,313,474 |
| Complaints | 16,092,950 | 16,043,787 | 15,128,298 |
| Proactive Compliance | 9,857,475 | 8,960,909 | 8,946,697 |
| Internal Services | 16,553,142 | 17,087,423 | 16,882,407 |
| **Total expenses** | **49,395,904** | **49,205,568** | **48,270,876** |
| **Revenues** | | | |
| Internal Support Services | 2,538,567 | 1,990,474 | 1,985,021 |
| Miscellaneous revenues | 541,849 | 429,949 | 428,878 |
| Revenues earned on behalf of Government | (541,849) | (429,949) | (428,867) |
| **Total revenues** | **2,538,567** | **1,990,474** | **1,985,032** |
| **Net cost of operations before government funding and transfers** | **46,857,337** | **47,215,094** | **46,285,844** |
| **Government funding and transfers** | | | |
| Net cash provided by Government | | 41,751,625 | 41,324,610 |
| Change in due from Consolidated Revenue Fund | | (658,133) | 114,533 |
| Services provided without charge by other government departments (note 10) | | 5,479,496 | 5,079,520 |
| Transfer of assets from (to) other government departments | | 37,417 | 43,393 |
| **Total Government funding and transfers** | | **46,610,405** | **46,562,056** |
| **Net cost of operations after government funding and transfers** | | **604,689** | **(276,212)** |
| **Net financial position - beginning of year** | | **167,933** | **(108,279)** |
| **Net financial position - end of year** | | **(436,756)** | **167,933** |

Segmented information (note 11)

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

**Statement of change in net debt (unaudited)**
**for the year ended March 31**
**(in dollars)**

| | 2026 | 2025 |
|---|---|---|
| **Net cost of operations after government funding and transfers** | **604,689** | **(276,212)** |
| **Change due to tangible capital assets** | | |
| Acquisition of tangible capital assets (note 7) | 547,288 | 997,365 |
| Amortization of tangible capital assets (note 7) | (1,046,706) | (784,426) |
| Loss on write-off of tangible capital assets | (109,875) | (502) |
| **Total change due to tangible capital assets** | **609,293** | **212,437** |
| Change due to prepaid expenses | (18,134) | 2,257 |
| **Net decrease in departmental net debt** | **(22,738)** | **(61,518)** |
| **Net debt - beginning of year** | **2,627,305** | **2,688,823** |
| **Net debt - end of year** | **2,604,567** | **2,627,305** |

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

**Statement of cash flow (unaudited)**
**for the year ended March 31**
**(in dollars)**

| | 2026 | 2025 |
|---|---|---|
| **Operating activities** | | |
| **Net cost of operations before government funding and transfers** | **47,215,094** | **46,285,844** |
| **Non-cash items:** | | |
| Amortization of tangible capital assets (note 7) | (1,046,706) | (784,426) |
| Services provided without charge by other government departments (note 10) | (5,479,496) | (5,079,520) |
| Loss on write-off of tangible capital assets | (109,875) | (502) |
| **Variations in Statement of financial position:** | | |
| Increase (decrease) in accounts receivable and advances | 295,471 | (147,367) |
| Increase (decrease) in prepaid expenses | (18,134) | 2,257 |
| Decrease in accounts payable and accrued liabilities (note 4) | 433,296 | 20,650 |
| Decrease (increase) in vacation pay and compensatory leave | (100,797) | 102,575 |
| Decrease (increase) in employee future benefits | 52,901 | (28,873) |
| Transfer of other assets to (from) another government department | (37,417) | (43,393) |
| **Cash used in operating activities** | **41,204,337** | **40,327,245** |
| **Capital investing activities** | | |
| Acquisitions of tangible capital assets (note 7) | 547,288 | 997,365 |
| Proceeds from disposal of tangible capital assets | - | - |
| **Cash used in capital investing activities** | **547,288** | **997,365** |
| **Net cash provided by Government of Canada** | **41,751,625** | **41,324,610** |

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

# Notes to the financial statements (unaudited) for the year ended March 31

**1. Authority and objectives**

The Canadian Human Rights Commission (Commission) was established in 1977 under Schedule I.1 of the Financial Administration Act in accordance with the Canadian Human Rights Act (CHRA).

The Commission leads the administration of the CHRA and works with employers to ensure compliance with the Employment Equity Act (EEA). The CHRA prohibits discrimination and the EEA promotes equality in the workplace. Under the leadership of the Pay Equity Commissioner and the Accessibility Commissioner, the Commission is also responsible for the administration and enforcement of the Pay Equity Act (PEA) and the Accessible Canada Act (ACA). These laws apply the principles of equal opportunity and non-discrimination to federal government departments and agencies, Crown corporations, and federally regulated private sector organizations. Finally, the Commission provides the Federal Housing Advocate with administrative services and facilities to support their duties and functions.

**Engagement and Advocacy**

Provide a national credible voice for equality in Canada by raising public awareness of human rights issues; engaging civil society, governments, employers and the public to affect human rights change and by monitoring and reporting on the implementation of the Government of Canada's obligations under the United Nations' Convention on the Rights of Persons with Disabilities.

**Complaints**

Provide people in Canada with a mechanism to file and resolve complaints under the Canadian Human Rights Act, Pay Equity Act, and Accessible Canada Act and to represent the public interest in achieving equality in Canada.

**Proactive Compliance**

Ensure federally regulated organizations comply with the requirements set out in the Employment Equity Act, Pay Equity Act, and the Accessible Canada Act and hold those who do not comply accountable.

**Internal Services**

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal services refer to the activities and resources of the 10 distinct services that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. These services are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Management Services; Materiel Management Services; and Acquisition Management Services.

**2. Summary of significant accounting policies**

These financial statements have been prepared using the Government's accounting policies stated below, which are based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

**a. Parliamentary authorities**

The Commission is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the Commission do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of operations and net financial position and in the Statement of financial position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting. The planned results amount in the “Expenses” and “Revenues” sections of the Statement of operations and net financial position are the amounts reported in the Future-oriented Statement of Operations included in the 2025-26 Departmental Plan. Planned results are not presented in the “Government funding and transfers” section of the Statement of operations and net financial position and in the Statement of change in net debt because these amounts were not included in the 2025-26 Departmental Plan.

**b. Net cash provided by Government**

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

**c. Amounts due from the CRF**

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

**d. Revenues**

- Revenues from internal support services are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place.
- Revenues that are non-respendable are not available to discharge the Commission's liabilities. While the Chief Commissioner is expected to maintain accounting control, she has no authority regarding the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented in reduction of the Commission's gross revenues.

**e. Expenses**

Expenses are recorded on the accrual basis:

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

**f. Employee future benefits**

- Pension benefits: Eligible employees participate in the Public Service Pension Plan (Plan), a multiemployer pension plan administered by the Government of Canada. The Commission's contributions to the Plan are charged to expenses in the year incurred and represent the Commission's total obligation to the Plan. The Commission's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.
- Severance benefits: The accumulation of severance benefits for voluntary departures ceased for applicable employee groups. The remaining obligation for employees who did not withdraw benefits is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

**g. Financial Instruments**

A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Commission recognizes a financial instrument when it becomes a party to a financial instrument contract.

The Commission's financial instruments consist of accounts receivable, accounts payable and accrued liabilities. All financial assets and liabilities are recorded at cost or amortized cost. Any associated transaction costs are added to the carrying value upon initial recognition. For financial instruments measured at amortized cost, the effective interest method is used to determine interest expense.

**h. Non-financial assets**

The costs of acquiring land, buildings, equipment, and other capital property are capitalized as tangible capital assets and, except for land, are amortized to expense over the estimated useful lives of the assets, as described in Note 7.

**i. Contingent liabilities**

Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur and a reasonable estimate of the loss can be made, a provision is accrued and an expense recorded to other expenses. 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. Related party transactions**

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

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

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

**k. Measurement uncertainty**

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

**3. Parliamentary authorities**

The Commission receives its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Net Financial Position and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the Commission has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

**a. Reconciliation of net cost of operations to current year authorities used**

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| **Net cost of operations before government funding and transfers** | **47,215,094** | **46,285,844** |
| Adjustments for items affecting net cost of operations but not affecting authorities: | | |
| Services provided without charge by other government departments (note 10) | (5,479,496) | (5,079,520) |
| Amortization of tangible capital assets (note 7) | (1,046,706) | (784,426) |
| Decrease (increase) in vacation pay and compensatory leave | (100,797) | 102,575 |
| Increase (decrease) in employee future benefits | 52,901 | (28,873) |
| Refunds of previous year expenditures | 69,102 | 10,518 |
| Refunds of program expenditures | 1,320 | (722) |
| Increase in accrued liabilities not charged to authorities | - | 3,677 |
| Adjustments to prior year's accounts payable | 1,068 | 9,992 |
| Loss on write-off of tangible capital assets | (109,875) | (502) |
| Proceeds from disposal of assets | - | 93 |
| **Total adjustments for items affecting net cost of operations but not affecting authorities** | **(6,612,483)** | **(5,767,188)** |
| Adjustments for items not affecting net cost of operations but affecting authorities: | | |
| Acquisition of tangible capital assets (note 7) | 547,288 | 997,365 |
| Increase (decrease) in employee advances | 514 | 96 |
| Employee overpayments | 64,641 | 45,719 |
| Increase (decrease) in prepaid expenses | (18,134) | 2,257 |
| **Total adjustments for items not affecting net cost of operations but affecting authorities** | **594,309** | **1,045,437** |
| **Current year authorities used** | **41,196,920** | **41,564,093** |

### b. Authorities provided and used

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| **Authorities provided:** | | |
| Vote 1 - Program expenditures | 37,052,959 | 36,993,910 |
| Proceeds from the disposal of surplus Crown assets | 10 | 899 |
| Statutory amounts - Contributions to employee benefit plans | 4,838,259 | 4,941,126 |
| Less: | | |
| Authorities available for future years | - | (10) |
| Lapsed authorities: program expenditures | (694,308) | (371,832) |
| **Current year authorities used** | **41,196,920** | **41,564,093** |

## 4. Accounts payable and accrued liabilities

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| Accounts payable - Other government departments and agencies | 70,961 | 666,923 |
| Accounts payable - External parties | 778,167 | 890,302 |
| **Total accounts payable** | **849,128** | **1,557,225** |
| Accrued salaries | 3,131,036 | 2,856,235 |
| **Total accounts payable and accrued liabilities** | **3,980,164** | **4,413,460** |

## 5. Employee future benefits

### a. Pension benefits

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

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

The 2025-2026 expense amounts to $3,067,456 ($3,169,238 in 2024-2025). For Group 1 members, the expense represents approximately 1.01 times (1.02 times in 2024-2025) the employee contributions and, for Group 2 members, approximately 1.00 times (1.00 times in 2024-2025) the employee contributions.

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

**(b) Severance benefits**

Severance benefits provided to the Commission's employees were previously based on an employee's eligibility, years of service and salary at termination of employment. However, since 2011 the accumulation of severance benefits for voluntary departures progressively ceased for substantially all employees. Employees subject to these changes were given the option to be paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits upon departure from the public service. By March 31, 2026, substantially all settlements for immediate cash out were completed and the remaining obligation will be disbursed upon departure from the public service. Severance benefits are unfunded and, consequently, the outstanding obligation will be paid from future authorities.

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

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| Accrued benefit obligation, beginning of year | 774,349 | 745,476 |
| Expense for the year | 164,970 | 204,302 |
| Benefits paid during the year | (217,871) | (175,429) |
| **Accrued benefit obligation, beginning of year** | **774,349** | **745,476** |

**6. Accounts receivable and advances**

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| Accounts receivable - Other government departments and agencies | 322,033 | 99,441 |
| Accounts receivable - External parties | 235,925 | 162,985 |
| Employee advances | 27,427 | 27,488 |
| **Total accounts receivable and advances** | **585,385** | **289,914** |
| Less: Allowance for doubtful accounts | - | - |
| **Net accounts receivable and advances** | **585,385** | **289,914** |

**7. Tangible capital assets**

All tangible capital assets having an initial cost of $5,000 or more are recorded at their acquisition cost. The Commission does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on First Nations reserves and museum collections.

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

| Capital assets class | Amortization period |
|---|---|
| Informatics hardware | 3 to 5 years |
| Informatics software | 3 to 5 years |
| Other equipment | 3 to 15 years |
| Leasehold improvements | Over the remaining term of lease |

Assets under construction are recorded in the applicable capital asset class in the year that they become available for use and are not amortized until they become available for use.

**Cost**
(in dollars)

| Asset class | Opening balance | Acquisitions | Adjustments (1) | Disposal and write-offs | Closing balance |
|---|---|---|---|---|---|
| Informatics hardware | 2,195,250 | 208,618 | - | (242,896) | 2,160,972 |
| Informatics software | 3,652,437 | 10,089 | 206,122 | - | 3,868,649 |
| Other equipment | 433,135 | 13,600 | - | (1,661) | 445,074 |
| Leasehold improvements | 110,113 | - | - | - | 110,113 |
| Assets under construction | 206,122 | 314,981 | (206,122) | - | 314,981 |
| **Total** | **6,597,057** | **547,288** | **-** | **(244,557)** | **6,899,789** |

**Accumulated amortization**
(in dollars)

| Asset class | Opening balance | Amortization | Adjustments (1) | Disposal and write-offs | Closing balance |
|---|---|---|---|---|---|
| Informatics hardware | 1,083,079 | 513,954 | - | (133,021) | 1,464,012 |
| Informatics software | 2,343,267 | 501,466 | - | - | 2,844,733 |
| Other equipment | 320,858 | 20,900 | - | (1,661) | 340,097 |
| Leasehold improvements | 72,749 | 10,386 | - | - | 83,136 |
| **Total** | **3,819,953** | **1,046,706** | **-** | **(134,682)** | **4,731,978** |

(1) Adjustments include assets under construction that were transferred to other categories upon completion of the assets.

**Net book value**
(in dollars)

| Asset class | 2025 | 2026 |
|---|---|---|
| Informatics hardware | 1,112,171 | 696,960 |
| Informatics software | 1,309,170 | 1,023,916 |
| Other equipment | 112,277 | 104,977 |
| Leasehold improvements | 37,364 | 26,977 |
| Assets under construction | 206,122 | 314,981 |
| **Total** | **2,777,104** | **2,167,811** |

**8. Contractual obligations**

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

(in dollars)

| | Related parties | Acquisitions of goods and services | Operating leases | Total |
|---|---|---|---|---|
| 2027 | 758,160 | 494,874 | 178,854 | 1,431,888 |
| 2028 | 133,592 | 36,329 | 186,131 | 356,052 |
| 2029 | 53,519 | 21,429 | 187,058 | 262,006 |
| 2030 | 19,498 | - | 25,748 | 45,246 |
| 2031 and thereafter | 5,000 | - | 25,748 | 30,748 |
| **Total** | **969,769** | **552,632** | **603,539** | **2,125,940** |

**9. Contingent Liabilities**

Claims have been made against the Commission in the normal course of operations. These claims include items with pleading amounts and other for which no amount is specified. While the total amount claimed in these actions is significant, their outcomes are not determinable. The Commission has recorded an allowance for claims and litigations where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. Claims and litigations for which the outcome is not determinable, and a reasonable estimate can be made by management remain nil at March 31, 2026.

**10. Related party transactions**

The Commission is related as a result of common ownership to all Government departments, agencies and Crown corporations. Related parties also include individuals who are members of key management personnel or close family members of those individuals, and entities controlled by, or under shared control of, a member of key management personnel or a close family member of that individual. The Commission has defined its key management personnel as the Chief Commissioner and Executive Director.

The Commission enters into transactions with these entities in the normal course of business and on normal trade terms.

**a. Common services provided without charge by other government departments**

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

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| Accommodation | 2,204,463 | 2,204,902 |
| Employer's contribution to the health and dental insurance plans | 3,275,033 | 2,865,987 |
| Workers' compensation | - | 8,631 |
| **Total** | **5,479,496** | **5,079,520** |

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

**b. Other transactions with related parties**

In addition, the Commission provides internal support services to some other government departments and agencies related to the provision of finance, human resources, acquisition, administration and information technology services. The value of those agreements is $1,990,475 in 2025-26 ($1,985,022 in 2024-25). Contractual obligations with related parties, as shown in note 8 above, amount to a total of $969,769 over the next five years.

(in dollars)

| | 2026 | 2025 |
|---|---|---|
| Accounts receivables | 322,033 | 99,441 |
| Accounts payable | 70,961 | 666,923 |
| Expenses | 6,199,593 | 5,747,067 |
| Net Revenues | 1,990,475 | 1,985,022 |

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

## 11. Segmented Information

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

(in dollars)

| | Engagement and Advocacy | Complaints | Proactive Compliance | Internal Services | 2026 | 2025 |
|---|---|---|---|---|---|---|
| **Operating expenses** | | | | | | |
| Salaries and employee benefits | 6,308,122 | 13,864,377 | 7,474,831 | 13,700,354 | 41,347,684 | 41,528,352 |
| Professional and special services | 431,270 | 983,818 | 501,823 | 1,020,360 | 2,937,271 | 2,392,611 |
| Accommodation | 337,064 | 746,465 | 395,694 | 725,240 | 2,204,463 | 2,204,902 |
| Rentals | 3,231 | 330 | 108,136 | 676,607 | 788,304 | 831,983 |
| Amortization of tangible capital assets | - | 192,689 | 308,776 | 545,241 | 1,046,706 | 784,426 |
| Information services | - | 94,098 | 9,998 | 131,458 | 235,554 | 183,611 |
| Travel and relocation | 30,909 | 90,681 | 161,057 | 8,853 | 291,500 | 128,769 |
| Communication | 9 | 12,492 | 212 | 45,761 | 58,474 | 115,858 |
| Utilities, materials and supplies | 2,844 | 27,837 | 382 | 18,270 | 49,333 | 43,595 |
| Equipment expenses | - | - | - | 34,577 | 34,577 | 28,581 |
| Repair and maintenance | - | - | - | 70,827 | 70,827 | 27,095 |
| Claims against the Crown | - | 31,000 | - | - | 31,000 | 591 |
| Loss on write-off of tangible capital asset | - | - | - | 109,875 | 109,875 | 502 |
| **Total operating expenses** | **7,113,449** | **16,043,787** | **8,960,909** | **17,087,423** | **49,205,568** | **48,270,876** |
| **Revenues** | | | | | | |
| Internal support services | - | - | - | 1,990,474 | 1,990,474 | 1,985,021 |
| Miscellaneous revenues | - | - | - | 429,949 | 429,949 | 428,878 |
| Revenues earned on behalf of Government | - | - | - | (429,949) | (429,949) | (428,867) |
| **Total net revenues** | **-** | **-** | **-** | **1,990,474** | **1,990,474** | **1,985,032** |
| **Net cost of operations before government funding and transfers** | **7,113,449** | **16,043,787** | **8,960,909** | **15,096,949** | **47,215,094** | **46,285,844** |

# Annex – Assessment of internal control over financial reporting for the fiscal year ended March 31, 2026 (Unaudited)

**1. Introduction**

This document provides a summary of information on the measures taken by the Canadian Human Rights Commission (Commission) to maintain an effective system of internal control over financial management (ICFM), including the system of internal controls over financial reporting (ICFR), as well as information on assessment results and the related action plan.

Detailed information on the Commission's authority, mandate and core responsibilities can be found in the 2026-27 Departmental Plan and the 2025-26 Departmental Results Report.

**1.1 Internal control management**

The Commission has a well-established governance and accountability structure to support the assessment efforts and oversight of its system of internal control, which comprises:

- organizational accountability structures as they relate to internal control management to support sound financial management, including the roles and responsibilities of senior managers of the Commission for control management in their areas of responsibility;
- values and ethics code;
- ongoing communication and training on statutory requirements, and policies and procedures for sound financial management and control; and
- monitoring of internal control management, as well as the provision of related assessment results and action plans to senior management.

**1.2 Service arrangements relevant to financial statements**

The Commission relies on other organizations for the processing of certain transactions that are recorded in its financial statements as follows:

**Common arrangements**

- Public Services and Procurement Canada centrally administers all payments including salaries, and the procurement of goods and services consistent with the Commission’s delegation of authority, provides accommodation services and manages MyGCHR and Phoenix for the Commission;
- The Treasury Board of Canada Secretariat provide the Commission with information to calculate the accrued severance liability and provides information on public service insurance and centrally administers payment of the employers’ share of the contributions toward statutory employee benefit plans; and
- Employment and Social Development Canada provides worker’s compensation coverage to the Commission.

Some other government departments and agencies rely on the Commission for the processing of certain transactions as per the interdepartmental arrangements.

**Specific arrangements**

- The Commission provides internal support services to some other government departments and agencies related to the provision of Finance, Human Resources, Acquisition, Administration and Information Technology services through Memorandums of Agreement. The information acquired through the assessment is shared with the clients who use the Commission's internal support services.

## 2. Assessment results during fiscal year 2025-26

The key findings and significant adjustments for the 2025-26 fiscal year's assessment activities are summarized below.

### 2.1 New or significantly amended key controls

The audit found that key internal controls over the audited business processes as well as ITGCs were operating effectively, but improvements have been identified for the asset management process. There were no new or significantly amended key controls in existing processes.

### 2.2 Ongoing monitoring program

In compliance with its rotational ongoing monitoring plan, the Commission reviewed and updated the documentation of the key controls in place and reassessed their operating effectiveness for the following business processes: payments to suppliers, contracting, and financial reporting of business processes. The assessment concluded that key controls for these business processes were strong and found to be operating effectively. During 2025–26, additional approval requirements were introduced within the contracting process to strengthen management oversight and provide greater control over procurement and expenditures. All requests for contracts or amendments exceeding $10,000 must now receive approval from the Branch Head.

Additionally, the documentation of the key controls in place and the operating effectiveness of information technology general controls (ITGCs) were reassessed in the area of IT security. These controls relate primarily to the policy framework governing the Commission's use of IT assets, the physical security of systems containing financial information and the procedures in place to control system access to GX, My GCHR, Phoenix Pay and STS HRG. The assessment revealed that key controls were generally appropriate, with opportunities for improvement identified in the employee arrival and departure processes. It was recommended that the employee arrival form be revised to ensure employees receive only the access required for their duties and that GX user accounts be reviewed periodically, as some former employees' access had not removed in a timely manner.

## 3. Action plan

### 3.1 Progress during fiscal year 2025-26

The Commission completed the annual assessment of internal controls according to the previous year rotational ongoing monitoring plan as shown in the following table:

| Key control areas | Previous year's rotational ongoing monitoring plan for current year | Status |
|---|---|---|
| Business Process | Payments to suppliers | Key internal controls were operating effectively; no remedial action required. |
| | Contracting | Key internal controls were operating effectively; no remedial action required. |
| | Financial Reporting | Key internal controls were operating effectively; no remedial action required. |
| ITGCs | IT Security | Key controls were generally appropriate; however, weaknesses remained in the employee departure process, as some users' GX access was not removed in a timely manner. It was recommended that the employee arrival form be revised to clarify required access and that GX user accounts be reviewed periodically to ensure access remains current. No misuse of the systems was identified despite these deficiencies. |

### 3.2 Action plan for the next fiscal year and subsequent years

The Commission's risk based ongoing monitoring plan for 2025-26 until 2029-30 is summarized in the following table:

| **Rotational ongoing monitoring plan** | | | | **Testing operating effectiveness** | | | | |
|---|---|---|---|---|---|---|---|---|
| **Key control areas** | | **Frequency** | **Risk rank** | **2025-26** | **2026-27** | **2027-28** | **2028-29** | **2029-30** |
| Entity level control | | 2 years | Medium | No | Yes | No | Yes | No |
| Business Process | Purchase to Payments[1] | 2 years | Medium | Yes | No | Yes | No | Yes |
| | Contracting | 2 years | Medium | Yes | No | Yes | No | Yes |
| | Pay Administration | 2 years | Medium | No | Yes | No | Yes | No |
| | Revenue Management & Cost Recovery | 2 years | Medium | No | Yes | No | Yes | No |
| | Budgeting and Forecasting | 2 years | Medium | No | No | Yes | No | Yes |
| | Financial Reporting | 2 years | Medium | Yes | No | Yes | No | Yes |
| | CFO Attestation | 2 years | Medium+ | No | Yes | No | Yes | No |
| | Asset Management | 3 years | Low+ | No | No | Yes | No | No |
| ITGCs | IT Management / Computer and Network Operations | 3 years | Low | No | No | Yes | No | No |
| | IT Security (User Access) | 2 years | High | Yes | No | Yes | No | Yes |
| | Application development and change control | 2 years | Medium | No | Yes | No | Yes | No |

Note 1: Testing will include the payments cycle for operating and capital expenditures.