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Financial Statements

Parks Canada Agency
March 31, 2023



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Parks Canada Agency

Statement of Management Responsibility Including Internal Control over Financial Reporting

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2023, and all information contained in these financial statements rests with the management of the Parks Canada Agency. 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 Parks Canada financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in the Parks Canada *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 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 Parks Canada; 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. A risk-based assessment of the system of ICFR for the year ended March 31, 2023 was completed in accordance with the Treasury Board Policy on Financial Management and the results and action plans are summarized in the annex.

The effectiveness and adequacy of Parks Canada's system of internal control is reviewed by the work of internal audit staff, who conduct periodic audits of different areas of Parks Canada's operations, and by the Audit Committee, which oversees management's responsibilities for maintaining adequate control systems and the quality of financial reporting.

The financial statements of Parks Canada have not been audited.



Ron Hallman
President & Chief Executive Officer (PCEO)

Gatineau, Canada
Date: September 11, 2023



Catherine Blanchard
Vice-President, Finance

Gatineau, Canada
Date: September 5, 2023

Parks Canada Agency
Statement of Financial Position (Unaudited)
As at March 31

(in thousands of dollars)	2023	2022 restated (note 19)
Liabilities		
Accounts payable and accrued liabilities (Note 4)	181,122	148,534
Environmental liabilities (Note 5)	156,638	98,428
Deferred revenue (Note 6)	53,071	48,742
Lease obligations for tangible capital assets (Note 7)	654	1,005
Employee future benefits (Note 8)	7,282	8,309
Asset retirement obligations (Note 9)	182,727	179,025
Total liabilities	581,494	484,043
Financial Assets		
Due from the Consolidated Revenue Fund	198,371	164,794
Accounts receivable and advances (Note 10)	27,544	25,359
Total gross financial assets	225,915	190,153
Financial assets held on behalf of Government		
Accounts receivable and advances (Note 10)	(12,052)	(12,720)
Total financial assets held on behalf of Government	(12,052)	(12,720)
Total net financial assets	213,863	177,433
Net Debt	367,631	306,610
Non-Financial Assets		
Prepaid expenses	1,688	1,300
Inventory (Note 11)	14,166	12,236
Tangible capital assets (Note 12)	4,730,347	4,770,957
Total non-financial assets	4,746,201	4,784,493
Net financial position (Note 13)	4,378,570	4,477,883

Contractual obligations and contractual rights (Note 14)

Contingent liabilities and contingent assets (Note 15)

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



Ron Hallman
President & Chief Executive Officer (PCEO)

Gatineau, Canada
Date: September 11, 2023



Catherine Blanchard
Vice-President, Finance

Gatineau, Canada
Date: September 5, 2023

Parks Canada Agency
Statement of Operations and Net Financial Position (Unaudited)
For the year ended March 31

(in thousands of dollars)	2023 Planned Results	2023	2022 restated (note 19)
Expenses			
Parks Canada Programs			
Heritage Places Establishment	68,196	63,132	32,116
Heritage Places Conservation	290,710	308,140	225,989
Heritage Places Promotion and Public Support	69,335	86,118	101,442
Visitor Experience	386,129	481,691	459,258
Heritage Canals, Highways and Townsites Management	196,922	171,545	159,324
Internal Services	110,437	170,046	159,411
Total expenses	1,121,729	1,280,672	1,137,540
Revenues			
Entrance fees	67,075	91,419	65,998
Recreational fees	27,269	46,212	35,898
Rentals and concessions	40,393	33,239	25,134
Other operating revenues	4,626	16,610	20,061
Townsites revenues	5,360	4,490	4,096
Staff housing	5,406	4,566	4,201
Revenues earned on behalf of Government	(129)	(23)	239
Total revenues	150,000	196,513	155,627
Net cost of operations before government funding and transfers	971,729	1,084,159	981,913
Government funding and transfers			
Net cash provided by Government of Canada		890,494	980,750
Change in due from Consolidated Revenue Fund		33,577	(10,915)
Services provided without charge by other government departments (Note 16a)		60,819	60,701
Transfer of assets (to)/from other government departments		(44)	203
Total Government funding and transfers		984,846	1,030,739
Net cost of operations after government funding and transfers		99,313	(48,826)
Net financial position - Beginning of year		4,477,883	4,429,057
Net financial position - End of year		4,378,570	4,477,883

Segmented information (Note 17)

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

Parks Canada Agency
Statement of Change in Net Debt (Unaudited)
For the year ended March 31

(in thousands of dollars)	2023	2022 restated (note 19)
Net cost of operations after government funding and transfers	99,313	(48,826)
Change due to tangible capital assets		
Acquisitions and betterments to tangible capital assets	211,233	312,606
Amortization of tangible capital assets	(235,088)	(232,297)
Proceeds from disposal of tangible capital assets	(505)	(505)
Net loss on disposal of tangible capital assets including adjustments	(16,256)	(27,940)
Transfer from other government departments	6	308
Total change due to tangible capital assets	(40,610)	52,172
Change due to inventory	1,930	1,058
Change due to prepaid expenses	388	(564)
Net increase in net debt	61,021	3,840
Net debt - Beginning of year	306,610	302,770
Net debt - End of year	367,631	306,610

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

**Parks Canada Agency
Statement of Cash Flow (Unaudited)
For the year ended March 31**

(in thousands of dollars)	2023	2022 restated (note 19)
Operating Activities		
Net cost of operations before government funding and transfers	1,084,159	981,913
Non-cash items:		
Amortization of tangible capital assets	(235,088)	(232,297)
Net loss on disposal of tangible capital assets including adjustments	(16,256)	(27,940)
Services provided without charge by other government departments (Note 16a)	(60,819)	(60,701)
Variations in Statement of Financial Position:		
Increase (Decrease) in accounts receivable and advances	2,853	(2,756)
Increase (Decrease) in prepaid expenses	388	(564)
Increase in inventory	1,930	1,058
(Increase) Decrease in accounts payable and accrued liabilities	(32,588)	40,081
Increase in environmental liabilities	(58,210)	(17)
Increase in deferred revenue	(4,329)	(28,160)
Decrease in employee future benefits	1,027	1,260
Increase in asset retirement obligations	(3,702)	(3,662)
Transfer of other assets between government departments	50	105
Cash used in operating activities	679,415	668,320
Capital investing activities		
Acquisitions and betterments to tangible capital assets	211,233	312,606
Proceeds from disposal of tangible capital assets	(505)	(505)
Cash used in capital investing activities	210,728	312,101
Financing activities		
Payments on lease obligations for tangible capital assets	351	329
Cash used in financing activities	351	329
Net cash provided by Government of Canada	890,494	980,750

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

Parks Canada Agency
Notes to the Financial Statements (Unaudited)
For the year ended March 31, 2023

1. Authority and objectives

In December 1998, the Parks Canada Agency was established under the *Parks Canada Agency Act* as a departmental corporation and acts as an agent of Her Majesty in Right of Canada. Parks Canada is a separate entity listed under Schedule II of the *Financial Administration Act* and reports to the Minister of Environment and Climate Change.

Parks Canada's mandate is to protect and present nationally significant examples of Canada's natural and cultural heritage, and foster public understanding, appreciation and enjoyment in ways that ensure the ecological and commemorative integrity of these places for present and future generations. In carrying out its mandate, Parks Canada delivers the programs set out in Parks Canada's legislation and authorities.

The authorities for the programs for which Parks Canada is responsible are mainly derived from the *Parks Canada Agency Act*, the *Canada National Parks Act*, the *Rouge National Urban Park Act*, the *Historic Sites and Monuments Act*, the *Canada National Marine Conservation Areas Act*, the *Saguenay-St. Lawrence Marine Park Act*, the *Historic Canal Regulations pursuant to the Department of Transport Act*, the *Heritage Railway Stations Protection Act*, the *Heritage Lighthouse Protection Act*, and the *Species at Risk Act*.

The programs include:

Heritage Places Establishment: This program aims to establish heritage places in order to conserve Canada's natural and cultural heritage for the benefit and enjoyment of present and future generations. This process results in national parks, national marine conservation areas, national historic sites, persons and events, and other designated heritage places, including world heritage sites. Establishment or designation is achieved through feasibility assessments, public nominations, research, consultation and engagement with Indigenous Peoples, stakeholders and the general public, negotiations with other governments and Indigenous organizations, and recommendations from advisory bodies, where required. The Program also supports the Government of Canada's outcome of "A vibrant Canadian culture and heritage" and Canada's international biodiversity goals (Canada Target 1).

Heritage Places Conservation: This program aims to protect and conserve the natural and cultural resources of heritage places managed by Parks Canada, including some World Heritage Sites in Canada, for the benefit and enjoyment of present and future generations. This program also provides financial and professional support and advice to heritage places not administered by Parks Canada, and supports Canada's international conservation obligations. Conservation of natural and cultural resources includes various knowledge-based approaches, applied science, monitoring and reporting, active management, ecological restoration, species recovery, environmental assessment, fire management, commemorative integrity assessments and statements for national historic sites and compliance activities. The Program supports the Government of Canada's outcome of "A clean and healthy environment".

1. Authority and Objectives (continued)

Heritage Places Promotion and Public Support: This program aims to strengthen awareness and appreciation of Canada's national parks, national historic sites, and national marine conservation areas, and to introduce key audiences, such as youth, new Canadians, low- and middle-income Canadians, and urban Canadians to these places. Promotional activities strengthen awareness of heritage places managed by Parks Canada as well as key visitor experience offers and programs. Promotional activities include advertising, social media promotion, marketing, proactive media, and collaborative efforts with national, regional, and local partners and the tourism trade. Outreach activities introduce Canadians to these places through direct connections, interactive experiences, and learning. Outreach activities include digital products such as online video, television, websites, and social media and also include interactive activities such as activation events and participation in learning and tourism events, community gatherings, festivals, and presence at institutions such as museums and aquariums. Collaborative arrangements and partnerships play an important role in promotions and outreach. This program supports the Government of Canada's outcome of "A vibrant Canadian culture and heritage".

Visitor Experience: This program provides visitors to national parks, national historic sites, and national marine conservation areas with opportunities to enjoy and appreciate these places in safe and meaningful ways. The program includes a range of activities, such as trip planning, reception, camping, accommodations, visitor safety, visitor services, interpretive activities, merchandise, compliance, and support for visitor facilities. This program supports the Government of Canada's outcome of "A vibrant Canadian culture and heritage".

Heritage Canals, Highways and Townsites Management: This program involves the management of infrastructure for Canadians and provides opportunities for socio-economic benefits to adjacent communities. This program includes: the operation, maintenance and improvement of the Trans-Canada and provincially numbered highways within national parks and national historic sites; water management activities and the management of bridge and dam infrastructure at heritage canals; and the provision of municipal services to certain national park townsites, and the management of related infrastructure. This program supports the Government of Canada's outcome of "A safe and secure Canada".

Internal Services: Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- i. management and oversight services
- ii. communications services
- iii. legal services
- iv. human resources management services
- v. financial management services
- vi. information management services
- vii. information technology services
- viii. real property management services
- ix. material management services
- x. acquisition management services

2. Summary of significant accounting policies

These financial statements are prepared using the Government of Canada'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

Parks Canada is financed mainly by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to Parks Canada 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 amounts 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 2022-23 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 2022-23 Departmental Plan.

(b) Net cash provided by Government

Parks Canada operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by Parks Canada is deposited to the CRF, and all cash disbursements made by Parks Canada 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 or to the CRF

Amounts due from or to 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 Parks Canada is entitled to draw from the CRF without further authorities to discharge its liabilities.

2. Summary of significant accounting policies (continued)

(d) Revenues

Entrance fees, recreational fees, rental and concessions, townsites, staff housing and other operating revenues are recognized based on the goods or services provided in the year by Parks Canada.

Funds received from external parties for specified purposes are recorded upon receipt as deferred revenue. Revenues are then recognized in the period in which the related expenses are incurred.

Deferred revenue consists of amounts received in advance of the delivery of goods and rendering of services that will be recognized as revenue in a subsequent fiscal year as it is earned.

Other revenues are recognized in the period the event giving rise to the revenues occurred.

Revenues that are non-respendable are not available to discharge the Parks Canada's liabilities. While the PCEO is expected to maintain accounting control, he 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 as a reduction of Parks Canada's gross revenues.

(e) Expenses

i. Transfer payments are recorded as an expense in the year the transfer is authorized and all eligibility criteria have been met by the recipient.

ii. Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment.

iii. Services provided without charge by other government departments for accommodation, employer's contributions to the health and dental insurance plans, legal services and workers' compensation are recorded as operating expenses at their carrying value.

(f) Employee future benefits

i. **Pension Benefits:** Eligible employees participate in the Public Service Pension Plan, a multiemployer pension plan administered by the Government. Parks Canada's contributions to the Plan are charged to expenses in the year incurred and represent the total obligation to the Plan. Parks Canada'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.

ii. **Severance Benefits:** The accumulation of severance benefits for voluntary departures ceased for applicable employee groups. The remaining obligation is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Accounts receivable

Accounts receivable are initially recorded at cost. When necessary, an allowance for valuation is recorded to reduce the carrying value of accounts receivable to amounts that approximate their net recoverable value.

2. Summary of Significant Accounting Policies (continued)

(h) Inventory

Inventories are valued at cost and are comprised of consumable supplies held for future program delivery and are not primarily intended for resale. Inventories that no longer have service potential are valued at the lower of cost or net realizable value.

(i) Tangible capital 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 12. All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. Tangible capital assets do not include immovable assets located on reserves as defined in the *Indian Act*, works of art and museum collection to which no acquisition cost is attributable; and intangible assets. Acquired lands are recorded at historical cost. Crown lands acquired as a result of Confederation or the subsequent joining of a province or territory are recorded at a nominal value. Donated lands are recorded at their estimated market value at time of acquisition.

(j) Contingent liabilities

Contingent liabilities are potential liabilities, which 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 fails 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.

(k) Contingent assets

Contingent assets are possible assets which may become actual assets when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur, the contingent asset is disclosed in the notes to the financial statements.

2. Summary of Significant Accounting Policies (continued)

(I) Environmental liabilities and asset retirement obligations

i. Environmental liability

An environmental liability for the remediation of contaminated sites is recognized when all of the following criteria are satisfied: an environmental standard exists, contamination exceeds the environmental standard, Parks Canada is directly responsible or accepts responsibility, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. The liability reflects Parks Canada's best estimate of the amount required to remediate the sites to the current minimum standard for its use prior to contamination. When the future cash flows required to settle or otherwise extinguish a liability are estimable, predictable and expected to occur over extended future periods, a present value technique is used. The discount rate used reflects the Government's cost of borrowing, associated with the estimated number of years to complete remediation.

The recorded liabilities are adjusted each year, for present value adjustments, inflation, new obligations, changes in management estimates and actual costs incurred.

If the likelihood of Parks Canada's responsibility is not determinable, a contingent liability is disclosed in the notes to the consolidated statements.

ii. Asset retirement obligations

Effective April 1, 2022 a new Public Sector Accounting Standard PS 3280 Asset retirement obligations came into effect. This standard requires public sector entities to recognize legally obligated costs associated with the retirement of tangible capital assets on acquisition, construction or development and expense those costs systematically over the life of the asset.

These amounts were measured using information, assumptions and discount rates that are current at the beginning of the fiscal year. The amount recognized as an asset retirement cost is measured as of the date the asset retirement obligation was incurred. Accumulated accretion and amortization are measured for the period from the date the liability would have been recognized had the provisions of this standard been in effect to the date as of which this standard is first applied. An asset retirement obligation is recognized when all of the following criteria are satisfied:

- a. there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b. the past event or transaction giving rise to the retirement liability has occurred;
- c. it is expected that the government will give up future economic benefits; and
- d. a reasonable estimate of the amount can be made.

The costs to retire an asset are normally capitalized and amortized over the asset's estimated remaining useful life. The measurement of the liability is Parks Canada's best estimate of the amount required to retire a tangible capital asset.

An asset retirement obligation may arise in connection with a tangible capital asset that is not recognized or no longer in productive use. In this case, the asset retirement cost would be expensed.

If the likelihood of Parks Canada's responsibility is not determinable, a contingent liability is disclosed in the notes to the financial statements. If measurement uncertainty exists, it is also disclosed in the notes to the financial statements.

2. Summary of Significant Accounting Policies (continued)

(m) Transactions involving foreign currencies

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

(n) 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 contingent liabilities, environmental liabilities, asset retirement obligations, the liability for employee future 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.

Environmental liabilities are subject to measurement uncertainty as discussed in Note 5 due to the evolving technologies used in the estimation of the costs for remediation of contaminated sites, the use of discounted present value of future estimated costs, and the fact that not all sites have had a complete assessment of the extent and nature of remediation. Changes to underlying assumptions, the timing of the expenditures, the technology employed, or the revisions to environmental standards or changes in regulatory requirements could result in significant changes to the environmental liabilities recorded.

Asset retirement obligations are subject to measurement uncertainty as discussed in Note 9 due to the evolving technologies used in remediation activities of asset retirements, the use of discounted present value of future estimated costs, inflation, interest rates and the fact that not all sites have had a complete assessment of the extent and nature of asset retirement costs. Changes to underlying assumptions, the timing of the expenditures, the technology employed, the revisions to changes in regulatory requirements could result in significant changes to the liabilities recorded.

o) 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 Parks Canada financial statement purposes at the carrying amount.

3. Parliamentary authorities

Parks Canada receives most of 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, Parks Canada 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 thousands of dollars)	2023	2022
Net Cost of Operations before government funding and transfers	1,084,159	981,913
Total revenues as per Statement of Operations	196,513	155,627
less: Proceeds deposited to the New Parks and Historic Sites	(2)	(1,400)
Revenues received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	196,511	154,227
Adjustments for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capital assets	(235,088)	(232,297)
Services provided without charge by other government departments	(60,819)	(60,701)
Net loss on disposal of tangible capital assets including adjustments	(16,256)	(27,940)
Decrease in vacation pay and compensatory leave	280	1,103
Decrease in employee future benefits	1,027	1,260
Increase in asset retirement obligations	(3,702)	(3,662)
Increase in environmental liabilities	(58,210)	(17)
Refunds of previous year's expenditures	3,567	1,796
Increase in New Parks and Historic Sites Account	28,542	38,742
Other	2,390	(5,776)
Total items affecting net cost of operations but not affecting authorities	(338,269)	(287,492)
Adjustments for items not affecting net cost of operations but affecting authorities:		
Acquisitions and betterments to tangible capital assets	211,233	312,606
Salary overpayments	811	2,386
Proceeds from disposal of tangible capital assets	(505)	(505)
Decrease in lease obligation for tangible capital assets	351	329
Increase in inventory	1,930	1,058
Increase (decrease) in prepaid expenses	388	(564)
Total items not affecting net cost of operations but affecting authorities	214,208	315,310
Current year authorities used	1,156,609	1,163,958

3. Parliamentary Appropriation (continued)

(b) Authorities provided and used

(in thousands of dollars)	2023	2022
Authorities provided:		
Vote 1 – Program expenditures	-	1,284,949
Vote 1 – Operating, grants and contributions	693,133	-
Vote 5 – New Parks and Historic Sites Account	-	50,989
Vote 5 – Capital	255,041	-
Vote 10 – New Parks and Historic Sites Account	55,336	-
Statutory amounts:		
Expenditures equivalent to revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	305,210	181,340
Contributions to employee benefit plans	69,316	65,257
Refunds of previous years' revenues	-	300
Total authorities	1,378,036	1,582,835
Less:		
Authorities available for future years	(94,757)	(100,522)
Lapsed authorities	(126,670)	(318,355)
Current year authorities used	1,156,609	1,163,958

In 2022-23, Parks Canada was moved from a single vote for operating, capital and grants and contributions funding, to a two-vote structure that segregates capital into a separate envelope. For comparison purpose, in 2021-22 the "Vote 1 - Program expenditures" of \$1,284,949,810 can be split between the new "Vote 1 - Operating, grants and contributions" for \$838,275,475 and the new "Vote 5 - Capital" for \$446,673,335.

4. Accounts payable and accrued liabilities

The following table presents details of Parks Canada's accounts payable and accrued liabilities:

(in thousands of dollars)	2023	2022
Accounts payable - Other government departments and agencies	25,385	25,388
Accounts payable - External parties	122,133	89,072
Total accounts payable	147,518	114,460
Accrued liabilities	33,604	34,074
Total accounts payable and accrued liabilities	181,122	148,534

5. Environmental liabilities

The Government's "Federal Approach to Contaminated Sites" sets out a framework for management of contaminated sites using a risk-based approach. Under this approach the Government has inventoried the contaminated sites identified on federal lands, allowing them to be classified, managed and recorded in a consistent manner. This systematic approach aids in the identification of the high risk sites in order to allocate limited resources to those sites, which pose the highest risk to human health and the environment.

Parks Canada has identified 219 sites (219 sites in 2022) where contamination may exist and assessment, remediation and monitoring may be required. Of these, Parks Canada has identified 101 sites (89 sites in 2022) where action is required and for which a gross liability of \$140,749,114 (\$78,253,135 in 2022) has been recorded. This liability estimate has been determined based on site assessments performed by environmental experts.

In addition, a statistical model based upon a projection of the number of sites that will proceed to remediation and upon which current and historical costs are applied is used to estimate the liability for a group of sites with no liability. As a result, there are 53 unclassified sites (55 sites in 2022) where a liability estimate of \$12,599,094 (\$15,388,672 in 2022) has been recorded using this model. Furthermore, there are 3 classified sites with no liability estimates (4 sites in 2022) where estimates have been calculated based on professional judgment and comparison with similar sites giving a total liability of \$3,289,745 (\$4,785,840 in 2022).

These three estimates combined, totaling \$156,637,953 (\$98,427,647 in 2022) represents management's best estimate of the costs required to remediate sites to the current minimum standard for its use prior to contamination, based on information available at the financial statement date.

For the remaining 62 sites (71 in 2022), no liability for remediation has been recognized. Some of these sites are at various stages of testing and evaluation and if remediation is required, liabilities will be reported as soon as a reasonable estimate can be determined. For other sites, Parks Canada does not expect to give up any future economic benefits (there is likely no significant environmental impact or human health threats). These sites will be re-examined and a liability for remediation will be recognized if future economic benefits will be given up.

The following table presents the total estimated amounts of these liabilities by nature and source, the associated expected recoveries and the total undiscounted future expenditures as at March 31, 2023 and March 31, 2022. When the liability estimate is based on a future cash requirement, the amount is adjusted for inflation using a forecast CPI rate of 2.0% (2.0% in 2022). Inflation is included in the undiscounted amount. The Government of Canada's cost of borrowing by reference to the actual zero-coupon yield curve for Government of Canada bonds has been used to discount the estimated future expenditures. The March 2023 rates range from 3.64% (2.24% in 2022) for 2 year term to 2.92% (2.35% in 2022) for a 30 or greater year term.

5. Environmental Liabilities (continued)

Nature and source	2023				2022			
	Total number of sites	Number of sites with a liability	Estimated liability	Estimated total undiscounted expenditures	Total number of sites	Number of sites with a liability	Estimated liability	Estimated total undiscounted expenditures
Former mineral exploration sites ⁽¹⁾	6	5	5,793	6,383	6	5	5,788	6,204
Military & former military sites ⁽²⁾	3	2	286	315	3	-	-	-
Fuel related practices ⁽³⁾	48	28	31,663	34,882	48	24	17,131	18,363
Landfill/waste sites ⁽⁴⁾	43	33	41,539	45,762	43	35	16,848	18,059
Engineered asset/air & land transportation ⁽⁵⁾	6	3	615	677	6	2	362	388
Marine facilities/aquatic sites ⁽⁶⁾	5	5	50,678	55,830	5	5	29,386	31,500
Office/commercial/ industrial operations ⁽⁷⁾	89	70	21,556	23,747	88	63	24,248	25,993
Other ⁽⁸⁾	19	11	4,508	4,966	20	14	4,665	5,001
Totals	219	157	156,638	172,562	219	148	98,428	105,508

Also, during the year, 1 site (18 sites in 2022) was closed as it was either remediated or assessed to confirm that it no longer meet all the criteria required to record a liability for contaminated site.

⁽¹⁾ Contamination associated with former mine activities, e.g., heavy metals, petroleum hydrocarbons, etc. Sites often have multiple sources of contamination.

⁽²⁾ Contamination associated with the operations of military and former military sites where activities such as fuel handling and storage activities, waste sites, metals/PCB-based paint used on buildings resulted in former or accidental contamination, e.g., petroleum hydrocarbons, polychlorinated biphenyls (PCBs), heavy metals. Sites often have multiple sources of contamination.

⁽³⁾ Contamination primarily associated with fuel storage and handling, e.g., accidental spills related to fuel storage tanks or former fuel handling practices, e.g., petroleum hydrocarbons, polyaromatic hydrocarbons and BTEX (benzene, toluene, ethylbenzene and xylenes).

⁽⁴⁾ Contamination associated with former landfill/waste site or leaching from materials deposited in the landfill/waste site, e.g., metals, petroleum hydrocarbons, BTEX, other organic contaminants, etc.

⁽⁵⁾ Contamination associated with the operations of engineered assets such as airports, railways and roads where activities such as, fuel storage/handling, waste sites, firefighting training facilities and chemical storage areas resulted in former or accidental contamination, e.g., metals, petroleum hydrocarbons, polyaromatic hydrocarbons, BTEX and other organic contaminants. Sites often have multiple sources of contamination.

⁽⁶⁾ Contamination associated with the operations of marine assets, e.g., port facilities, harbours, navigation systems, light stations, hydrometric stations, where activities such as fuel storage/handling, use of metal based paint (e.g., on light stations) resulted in former or accidental contamination, e.g., metals, petroleum hydrocarbons, polyaromatic hydrocarbons and other organic contaminants. Sites often have multiple sources of contamination.

⁽⁷⁾ Contamination associated with the operations of the office/commercial/industrial facilities where activities such as fuel storage/handling, waste sites and use of metal-based paint resulted in former or accidental contamination, e.g., metals, petroleum hydrocarbons, polyaromatic hydrocarbons, BTEX, etc. Sites often have multiple sources of contamination.

⁽⁸⁾ Contamination from other sources, e.g., use of pesticides, herbicides, fertilizers at agricultural sites, use of PCBs, firefighting training areas, firing ranges and training facilities, etc.

6. Deferred revenue

Deferred revenue represents the balance at year-end of unearned revenues stemming from amounts received from external parties for fees prior to services being performed. Revenue is recognized in the period in which the service is performed. Details of the transactions related to this account are as follows:

(in thousands of dollars)	2023	2022
Opening balance	48,742	20,582
Amounts received	47,354	52,850
Revenue recognized	(43,025)	(24,690)
Closing balance	53,071	48,742

7. Lease obligations for tangible capital assets

Parks Canada has entered into agreements to lease commercial and office space under capital leases with a cost of \$20,224,707 and accumulated amortization of \$10,505,150 as at March 31, 2023 (\$19,205,164 and \$10,058,985 respectively as at March 31, 2022). Parks Canada has one capital lease with an outstanding obligation, the remaining capital leases were paid in advance and do not have an obligation. The obligation related to the upcoming years include the following:

(in thousands of dollars)	2023	2022
2023	-	403
2024	403	403
2025	287	287
2026	-	-
2027 and subsequent	-	-
Total future minimum lease payment	690	1,093
Less: imputed interest (6.3%)	(36)	(88)
Balance of obligations under leased tangible capital assets	654	1,005

8. Employee future benefits

(a) Pension benefits

Parks Canada's employees participate in the Public Service Pension Plan (the "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 Plan benefits and they are indexed to inflation.

Both the employees and Parks Canada 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 related 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 2022-23 expense amounts to \$45,283,793 (\$44,087,756 in 2022). For Group 1 members, the expense represents approximately 1.02 times (1.01 times in 2022) the employee contributions and, for Group 2 members, approximately 1.00 times (1.00 times in 2022) the employee contributions.

Parks Canada'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 Parks Canada'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, 2018, substantially all settlements for immediate cash out were completed. 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 thousands of dollars)	2023	2022
Opening balance	8,309	9,569
Adjustment for the year	(224)	(443)
Benefits paid during the year	(803)	(817)
Closing balance	7,282	8,309

9. Asset retirement obligations

When the future cash flows required to settle or otherwise extinguish a liability are estimable, predictable, and expected to occur over extended future periods, a present value technique is used. The discount rate used reflects the government's cost of borrowing, associated with the estimated number of years to complete the retirement or remediation.

The recorded liabilities are adjusted each year, as required, for present value adjustments, inflation, new obligations, and changes in management estimates and actual costs incurred.

If the likelihood of Parks Canada's responsibility is not determinable, a contingent liability is disclosed in the notes to the financial statements.

Parks Canada has recorded asset retirement obligations for the removal of asbestos and other hazardous materials in buildings and other asset retirement obligations.

The changes in the asset retirement obligations during the year are as follows:

	2023						2022	
	Asbestos and other hazardous material	Closure and post-closure obligations associated with landfills	Closure and post-closure obligations associated with works and infrastructure	Retirement activities linked to machinery and equipment	Retirement activities linked to ships, boats, aircraft and other vehicles	Underground storage tanks	Total	Restated (Note 19)
(in thousands of dollars)								
Opening balance	82,401	64,003	380	3	31,981	257	179,025	175,363
Liabilities incurred	-	-	-	-	-	-	-	-
Revisions in estimates	-	-	-	-	-	-	-	-
Accretion Expense ⁽¹⁾	2,149	702	10	-	834	7	3,702	3,662
Closing balance	84,550	64,705	390	3	32,815	264	182,727	179,025

⁽¹⁾ Accretion expense is the increase in the carrying amount of an asset retirement obligation due to the passage of time.

Parks Canada's ongoing efforts to assess asset retirement obligations may result in additional liabilities. Any additional liabilities will be accrued in the year in which they become known and can be reasonably estimated.

9. Asset Retirement Obligations (continued)

The undiscounted future expenditures, adjusted for inflation, for the planned projects comprising the liability are \$153.2 million (\$156.3 million at March 31, 2022). There are no estimated recoveries related to asset retirement obligations.

Key assumptions used in determining the provision are as follows:

	2023	2022 Restated (Note 19)
Discount rate	1.10 - 2.61%	1.10 - 2.61%
Discount period and timing settlement	1 to 49 years	2 to 50 years
Long-term rate of inflation	2.00%	2.00%

10. Accounts receivable and advances

The following table presents details of Parks Canada's accounts receivable and advances balances:

(in thousands of dollars)	2023	2022
Receivables - Other government departments and agencies	6,050	3,022
Receivables - External parties	21,929	19,758
Employee advances	3,495	3,540
	31,474	26,320
Allowance for doubtful accounts on receivables from external parties	(3,930)	(961)
Gross accounts receivable	27,544	25,359
Accounts receivable held on behalf of Government	(12,052)	(12,720)
Total accounts receivable and advances	15,492	12,639

11. Inventory

(in thousands of dollars)	2023	2022
Opening balance	12,236	11,178
Purchases	68,533	60,324
Consumed inventory	(66,603)	(59,266)
Closing balance	14,166	12,236

12. Tangible capital assets

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
Buildings	25-50 years
Fortifications	50-100 years
Leasehold improvements	Lesser of the remaining term of the lease or useful life of the improvement
Leased tangible capital assets	Term of lease or economic life of the property if the lease contains a bargain purchase option
Landscaping and improvement	10-40 years
Roads	40 years
Bridges	25-50 years
Canals and marine facilities	25-80 years
Utilities	20-40 years
Vehicles	7-15 years
Ships and boats	10 years
Equipment	3-10 years
Exhibits	5-10 years

Assets under construction are recorded in the applicable asset class in the year they are put into service and are not amortized until they are put into service.

Collections and archaeological sites

Core to Parks Canada's mandate to protect and present nationally significant examples of our cultural heritage is the management of collections and archaeological sites. Although not capitalized like other cultural assets such as buildings or fortifications, these treasures have inestimable cultural value.

(a) Collections

Parks Canada manages collections that are made up of archaeological and historical objects.

The collection of archaeological objects includes specimens and records that represent a cross-section of human habitation and activities. These holdings consist of a range of functional groups of artifacts that represent domestic activities to industrial processes and includes tools, ships' fittings, as well as soil and botanical samples.

The collection of historic objects dates from the 10th century to the present day. They encompass ethnographic material, civilian, military and fur trade items, furniture and furnishings, tools and documents.

In addition, Parks Canada manages a collection of reproductions including period costumes, tools and furniture that have been copied from original objects or made based on historical data.

(b) Archaeological sites

An archaeological site encompasses surface, subsurface, or submerged remains of human activity. Archaeologists define a site by identifying the different activities that were conducted within an area. There are many archaeological sites identified within Parks Canada's national historic sites, national parks and marine conservation areas. The types of sites vary greatly, from Indigenous villages, hunting camps, observation areas, and animal processing areas, to European fur trade and military posts, battlefields, shipwrecks, homesteads, and transportation and industrial sites.

12. Tangible capital assets (continued)

Cost	Opening	Acquisitions	Adjustments⁽¹⁾	Disposals and	Closing
(in thousands of dollars)	balance			write-offs	balance
<u>Tangible capital assets</u>					
Land	282,297	5,647	(53)	(48)	287,843
Buildings, fortifications and leasehold improvements	1,391,883	4,759	63,653	(20,110)	1,440,181
Landscaping and improvement	859,845	3,847	32,124	(11,498)	884,318
Roads	2,131,283	3,923	7,330	(8,184)	2,134,352
Bridges	800,992	996	19,799	(539)	821,248
Canals and marine facilities	1,531,683	8,024	14,663	(498)	1,553,872
Utilities	417,939	5,093	28,598	(2,528)	449,102
Vehicles	124,378	7,572	2,854	(3,187)	131,617
Ships and boats	26,859	2,957	927	(199)	30,544
Equipment	83,956	1,108	7,542	(1,995)	90,611
Exhibits	103,070	53	6,347	(6,487)	102,983
	7,754,185	43,979	183,784	(55,273)	7,926,671
<u>Assets under construction</u>					
Buildings, fortifications and leasehold improvements	250,315	68,292	(62,026)	(1,543)	255,038
Landscaping and improvement	103,738	16,709	(28,639)	(1,871)	89,937
Roads	36,725	16,685	(12,899)	(1,166)	39,345
Bridges	37,582	12,494	(15,162)	(3,195)	31,719
Canals and marine facilities	65,440	36,802	(15,272)	(2,851)	84,119
Utilities	36,321	8,740	(24,187)	(727)	20,147
Vehicles	2,929	1,290	(2,732)	(5)	1,482
Equipment	13,193	4,795	(9,776)	(825)	7,387
Exhibits	12,540	1,315	(9,091)	-	4,764
Buildings, fortifications and leasehold improvements under capital lease	2,905	-	(2,905)	-	-
	561,688	167,122	(182,689)	(12,183)	533,938
<u>Leased tangible capital assets</u>					
Buildings, fortifications and leasehold improvements	19,205	132	888	-	20,225
Total	8,335,078	211,233	1,983	(67,456)	8,480,834

⁽¹⁾ Adjustments include assets under construction of \$186,151,454 that were transferred to the other categories upon completion of the assets.

12. Tangible capital assets (continued)

Accumulated amortization <small>(in thousands of dollars)</small>	Opening balance	Amortization	Adjustments	Disposals and write-offs	Closing balance	Net book value	
						2023	2022
<u>Tangible capital assets</u>							
Land	-	-	-	-	-	287,843	282,297
Buildings, fortifications and leasehold improvements	747,407	40,179	(653)	(16,855)	770,078	670,103	644,476
Landscaping and improvement	632,945	20,666	608	(10,937)	643,282	241,036	226,900
Roads	1,101,302	91,611	(610)	(7,184)	1,185,119	949,233	1,029,981
Bridges	212,709	21,046	540	(393)	233,902	587,346	588,283
Canals and marine facilities	436,837	26,555	(175)	(415)	462,802	1,091,070	1,094,846
Utilities	170,757	13,667	659	(1,824)	183,259	265,843	247,182
Vehicles	82,202	8,910	238	(2,916)	88,434	43,183	42,176
Ships and boats	20,392	1,734	-	(199)	21,927	8,617	6,467
Equipment	55,691	6,866	121	(1,780)	60,898	29,713	28,265
Exhibits	93,821	3,234	(547)	(6,227)	90,281	12,702	9,249
	3,554,063	234,468	181	(48,730)	3,739,982	4,186,689	4,200,122
<u>Assets under construction</u>							
Buildings, fortifications and leasehold improvements						255,038	250,315
Landscaping and improvement						89,937	103,738
Roads						39,345	36,725
Bridges						31,719	37,582
Canals and marine facilities						84,119	65,440
Utilities						20,147	36,321
Vehicles						1,482	2,929
Equipment						7,387	13,193
Exhibits						4,764	12,540
Buildings, fortifications and leasehold improvements under capital lease						-	2,905
						533,938	561,688
<u>Leased tangible capital assets</u>							
Buildings, fortifications and leasehold improvements	10,058	620	(173)	-	10,505	9,720	9,147
Total	3,564,121	235,088	8	(48,730)	3,750,487	4,730,347	4,770,957

13. Net financial position

A portion of Parks Canada's net financial position is used for a specific purpose. Related revenues and expenses are included in the Statement of Operations and Net Financial Position.

The New Parks and Historic Sites Account was established pursuant to the *Parks Canada Agency Act*. Funds are provided to the New Parks and Historic Sites Account by voted authorities, proceeds from the sale of lands and buildings that are surplus to operational requirements and all general donations. Furthermore, the Minister of Finance may, on the request of the Minister of the Environment, authorize the making of advances of up to \$10 million to the New Parks and Historic Sites Account. All amounts received remain in this account until eligible expenditures are made for the purpose of establishing or developing new parks, historic sites and heritage areas, in compliance with the terms and conditions set out in the *Parks Canada Agency Act* and related Treasury Board directives. The balance of the account is to be used to protect the funding required and honor Parks Canada's commitment for the establishment, enlargement or designation of national parks, national historic sites, national marine conservation areas or other protected heritage areas.

The late The Right Hon W L Mackenzie King bequeathed Laurier House, Ottawa, and the sum of \$225,000, to the Government of Canada. This amount was credited to the account and earns interest, in accordance with the terms of section 3 of the *Laurier House Act*. The interest is to be used to assist in the maintenance of the Laurier House, which is to be preserved as a place of historic interest, and also to provide accommodation for study and research.

The following table presents details of Parks Canada's net financial position:

(in thousands of dollars)	2023	2022
Restricted		
New Parks and Historic Sites Account		
Available at beginning of year	128,782	90,040
Receipts:		
Parliamentary authorities	55,336	50,989
Donations	2	1,400
	55,338	52,389
Expenditures	(26,796)	(13,647)
New Parks and Historic Sites Account - Available at end of year	157,324	128,782
Mackenzie King Trust Account	225	225
Restricted - Available at end of year	157,549	129,007
Unrestricted	4,221,021	4,348,876
Net financial position at end of year	4,378,570	4,477,883

14. Contractual obligations and contractual rights

(a) Contractual obligations

The nature of Parks Canada's activities may result in some large multi-year contracts and obligations whereby Parks Canada will be obligated to make future payments in order to carry out its transfer payment programs or when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in thousands of dollars)	2024	2025	2026	2027	2028 and subsequent	Total
Operating leases	758	580	201	196	1,716	3,451
Purchases and transfer payments	140,091	58,212	25,760	18,366	7,092	249,521
Total	140,849	58,792	25,961	18,562	8,808	252,972

(b) Contractual rights

The activities of Parks Canada sometimes involve the negotiation of contracts or agreements with outside parties that results in Parks Canada having rights to both assets and revenues in the future. Major contractual rights that will generate revenues in future years and that can be reasonably estimated are summarized as follows:

(in thousands of dollars)	2024	2025	2026	2027	2028 and subsequent	Total
Leases of property	15,085	15,043	14,332	13,941	268,904	327,305
Other ⁽¹⁾	3,900	3,592	3,524	3,471	9,395	23,882
Total	18,985	18,635	17,856	17,412	278,299	351,187

⁽¹⁾ Includes municipal incorporation agreements and residential licences that do not have an end date, therefore amounts for 2028 and subsequent cannot be determined.

15. Contingent liabilities and contingent assets

(a) Contingent liabilities

Contingent liabilities arise in the normal course of operations and their ultimate disposition is unknown. Parks Canada's contingent liabilities consist of claims which include items with pleading amounts and others for which no amount is specified. While the total amount claimed in these actions is significant, their outcomes are not determinable. Parks Canada has recorded an allowance of \$195,707 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 amount to \$9,644,522 at March 31, 2023 (\$6,797,948 in 2022). Two claims are assessed as likely and the amounts cannot be reasonably estimated. Due to the sensitivity of the claims, we cannot disclose additional information.

(b) Contingent assets

Contingent assets arise in the normal course of operations and their ultimate disposition is unknown. Parks Canada's contingent assets consist of claims which include items with pleading amounts and others for which no amount is specified. Parks Canada has made claims against external parties for which the recovery or gain is likely to materialize. The estimated amount to be recovered as of March 31, 2023 is \$632,769 (\$285,418 in 2022). Due to the sensitivity of the claims, we cannot disclose additional information.

16. Related party transactions

Parks Canada 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.

Parks Canada 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, Parks Canada received services without charge from certain common service organizations, related to accommodation, legal services, the employer's contribution to the health and dental insurance plans and workers' compensation coverage. These services provided without charge have been recorded at the carrying value in Parks Canada's Statement of Operations and Parks Canada's Net Financial Position as follows:

(in thousands of dollars)	2023	2022
Employer's contribution to the health and dental insurance plans	40,753	41,247
Accommodation	19,847	19,196
Legal services	216	210
Workers' compensation	3	48
Total	60,819	60,701

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 as well as the email, network and data center services and the workplace technology devices provided by Shared Services Canada are not included in Parks Canada's Statement of Operations and Parks Canada's Net Financial Position.

(b) Other transactions with other government departments and agencies

(in thousands of dollars)	2023	2022
Accounts receivable	6,050	3,022
Accounts payable	25,385	25,388
Expenses	210,238	186,861
Revenues	298	69

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

17. Segmented information

Presentation by segment is based on Parks Canada's program alignment architecture. 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 main programs, by major object of expense and by major type of revenue. The segment results for the period are as follows:

(in thousands of dollars)	Heritage Places Establishment	Heritage Places conservation	Heritage Places Promotion and Public Support	Visitor Experience	Heritage Canals, Highways and Townsites Management	Internal Services	2023	2022
Salaries and employee benefits	12,096	144,505	48,511	214,894	26,892	124,845	571,743	542,853
Operating expenses								
Amortization of tangible capital assets	28	14,204	274	116,723	101,283	2,576	235,088	232,297
Professional and special services	931	82,071	4,843	45,834	10,851	23,696	168,226	92,864
Utilities, materials and supplies	236	14,096	1,014	38,910	14,112	3,298	71,666	68,917
Rentals	201	15,367	684	6,916	475	3,773	27,416	22,255
Transportation and communications	911	9,388	2,034	5,401	299	3,252	21,285	10,039
Net loss on disposal of tangible capital assets including adjustments	377	1,433	11	5,565	6,495	2,375	16,256	27,940
Payments in lieu of taxes	-	-	-	22,896	-	-	22,896	20,814
Repairs and maintenance	43	2,788	26	10,455	8,440	140	21,892	16,031
Accommodation	415	5,024	1,668	7,519	1,008	4,213	19,847	19,196
Information	65	647	5,375	2,343	136	486	9,052	6,002
Miscellaneous expenses	-	210	2	418	1,441	1,392	3,463	579
Total Operating expenses	3,207	145,228	15,931	262,980	144,540	45,201	617,087	516,934
Grants and contributions	47,829	18,407	21,676	3,817	113	-	91,842	77,753
Total expenses	63,132	308,140	86,118	481,691	171,545	170,046	1,280,672	1,137,540
Revenues								
Entrance fees	-	-	-	91,419	-	-	91,419	65,998
Recreational fees	-	-	-	46,212	-	-	46,212	35,898
Rentals and concessions	-	19	20	29,794	3,406	-	33,239	25,134
Other operating revenues	2	2,165	142	12,398	1,338	565	16,610	20,061
Townsites revenues	-	-	-	510	3,980	-	4,490	4,096
Staff housing	-	1,360	-	3,206	-	-	4,566	4,201
Revenues earned on behalf of Government	-	-	-	-	-	(23)	(23)	239
Total revenues	2	3,544	162	183,539	8,724	542	196,513	155,627
Net cost from continuing operations	63,130	304,596	85,956	298,152	162,821	169,504	1,084,159	981,913

18. Comparative information

Comparative figures have been reclassified to conform to the current year's presentation.

19. Adjustments to prior year's results

Parks Canada applied the modified retrospective application transitional approach for PS3280. On initial application of the standard, Parks Canada recognized:

- (a) a liability for any existing asset retirement obligations, adjusted for accumulated accretion to that date;
- (b) an asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets;
- (c) accumulated amortization on that capitalized cost; and
- (d) an adjustment to the opening balance of the accumulated surplus/deficit.

A reconciliation of the restatement for the significant financial statement line items follows:

(in thousands of dollars)	2021-22		
	As previously reported	Effect of change in accounting policy	As restated
Statement of Financial Position	4,619,580	(141,697)	4,477,883
Statement of Operations and Net Financial Position	4,619,580	(141,697)	4,477,883
Statement of Change in Net Debt	127,585	179,025	306,610
Statement of Cash Flow	980,750	-	980,750