



FIRST QUARTER
**FINANCIAL
REPORT**

2024-2025

Q1

CBC  Radio-Canada



Management's Discussion and Analysis

In addition to filing an annual report, we are required – like most Canadian federal Crown corporations – to file quarterly financial reports for the first three quarters of each fiscal year. In keeping with our commitment to transparency and effective oversight of public funds, the following Management's Discussion and Analysis (MD&A) aims to provide readers with an overview of our activities and performance for the three-month period ended June 30, 2024, compared with the three-month period ended June 30, 2023. This report should be read in conjunction with our most recent Annual Report. We have organized our MD&A in the following key sections:

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In this MD&A of financial condition and results of operations, “we”, “us”, “our” and “the Corporation” mean CBC/Radio-Canada. Refer to CBC/Radio-Canada’s audited consolidated financial statements for the year ended March 31, 2024, when reading this MD&A. All amounts in this MD&A are in thousands of Canadian dollars, except where noted. To help you better understand this MD&A, note the following:

FINANCIAL REPORTING DISCLOSURE

Our first quarter condensed interim consolidated financial statements (interim financial statements) were prepared in accordance with IFRS, as issued by the IASB, under IAS 34 – Interim Financial Reporting and adopted by the Accounting Standards Board (AcSB). They were approved by the Corporation’s Board of Directors on August 28, 2024. These interim financial statements were prepared using the same basis of presentation and accounting policies as outlined under Note 2 of our audited annual financial statements for the year ended March 31, 2024 (2023-2024 audited annual financial statements). Our interim financial statements do not include all of the notes required in the 2023-2024 audited annual financial statements.

Discussion and analysis of our financial condition and results of operations are based upon our interim financial statements.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding objectives, strategic initiatives, and expected financial and operational results. Forward-looking statements are typically identified by words such as “may”, “should”, “could”, “would” and “will”, as well as expressions such as “believe”, “expect”, “forecast”, “anticipate”, “intend”, “plan”, “estimate” and other similar expressions. Forward-looking statements are based on the following broad assumptions: CBC/Radio-Canada’s government funding remains consistent with amounts announced in the federal budget, and the broadcasting regulatory environment will not change significantly. Key risks and uncertainties are described in the Risk Update section of this report. However, some risks and uncertainties are by definition difficult to predict and are beyond our control. They include, but are not limited to, economic, financial, advertising market, technical and regulatory conditions. These and other factors may cause actual results to differ substantially from the expectations stated or implied in forward-looking statements.

PERFORMANCE INDICATORS

We rely on data from both internal tools and third parties to measure our performance metrics. While these data are based on what we believe to be reasonable calculations for the applicable periods of measurement, there are inherent challenges in collecting this information, particularly as the media industry undergoes a digital transformation. For example, Canadians now consume media content on multiple devices from an ever-growing array of content providers. As media consumption habits change, we are, together with audience measurement suppliers, refining methodologies and introducing new measurement technologies to ensure the accuracy and completeness of data gathered. As a result, changes in the way data are collected could result in certain information provided in future periods not being comparable with information disclosed in prior periods. Since some of these data are used to measure our strategic and operational indicators, we may be required to make adjustments to targets and historical results to enhance comparability of the data and follow industry best practices.



Business Highlights



The new fiscal year kicked off with several industry celebrations, including [Canadian Screen Week 2024](#). We were awarded [55 Canadian Screen Awards](#), including for [Sort Of](#), [This Hour Has 22 Minutes](#) and [Blackberry](#). These awards are a testament to the exceptional talent of our creative teams and Canadian independent production collaborators.

We were also a national media partner of the [2024 Governor General's Performing Arts Awards](#). Our continued partnership allowed us to continue to support artists, applaud their extraordinary talent and commemorate their remarkable contributions to the performing arts in Canada. The tributes were also made available on [CBC Gem](#) and [ICI TOU.TV](#).

We had the incredible opportunity to join forces with six of Canada's most influential national cultural institutions –: [Canada Council for the Arts](#), [Canada Media Fund](#), [Library and Archives](#), [National Arts Centre](#), [National Film Board of Canada](#), and [Telefilm Canada](#) – on an enlightening live broadcast event titled "[The Walrus Talks Canada's Creative Power](#)." This event explored how each of these cultural institutions contributes to a vibrant creative landscape in Canada and on the global stage. Additionally, our President and CEO participated in a panel at the [re:publica 2024 festival](#), showcasing the first-ever collaboration between four public broadcasters ([ZDF](#), [RTBF](#), [SRG SSR](#) and [CBC/Radio-Canada](#)) in a joint effort to create safe, civil discourse online in a [Public Spaces Incubator](#).

Digital Spotlight



As Canadians' media habits change, we are transforming our business to reach them on the platforms they choose. As a multiplatform media organization, we connect with 21 million Canadians every month¹ with digital services on websites, apps, streaming platforms and connected TVs. CBC/Radio-Canada is the country's leading digital news provider in English and French.²

Some of our digital services include news ([Radio-Canada.ca](#), [CBC News](#)), free ad-supported streaming television ([CBC Comedy](#), [CBC News Explore](#)), kids programming ([CBC Kids](#), [MAJ](#)) and music and podcasts ([Radio-Canada OHdio](#), [CBC Listen](#)). Canadians can also access over 6,500 hours of live and on-demand programs ([CBC Gem](#), [ICI TOU.TV](#)) and learn languages and digital skills ([Curio](#), [CBC Kids in Minecraft](#), [Zone Jeunesse](#), [Mauril](#)). Our digital platforms ([CBC Corner/Espace Radio-Canada](#)) are also accessible in over [1,000 library branches](#) across the country.

In light of the growing awareness and concern about the collection and use of digital data, we strive to ensure that our data practices are transparent and based on the user consent. Our data and privacy policies are available [on our corporate website](#) and they detail our data practices in simple language, in line with industry best practices. Consent applications are also available for users when they visit our digital services. We have released an industry-standard consent management platform (CMP) with a simple interface to choose which data are collected and used when audiences visit our websites and apps.

To improve audience experiences, we request free login access on select digital services. Registration allows audiences to receive personalized content, such as local news and weather, as well as the ability to comment on articles, set favourites for content across devices, and access replay functions. With an account, audiences gain access to hundreds of video and audio programs, documentaries, films, events, and channels for free.

Recognizing the public's eagerness to understand how the public broadcaster navigates and manages artificial intelligence, [our Approach to Artificial Intelligence](#) was released in May. It aims to inform employees and audiences about the principles guiding the use of this technology in our operations and products.

¹ Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly unique visitors, April to June 2024, Canada. Unduplicated reach of CBC/Radio-Canada digital platforms.

² Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average monthly unique visitors, April 2023 to March 2024, Canada. Unduplicated reach of CBC/Radio-Canada digital platforms.



English Services



A new year means a new slate of podcasts, and in April [CBC Podcasts announced an exciting lineup](#) that included groundbreaking investigative series and co-productions like [Broomgate: A Curling Scandal](#), [Come by Chance](#) and [The Six Billion Dollar Gold Scam](#).

In our ongoing effort to deepen regional coverage, we announced the upcoming launch of [12 CBC News free ad-supported streaming TV channels](#) for audiences across the country with ongoing coverage of major breaking news, weather and local headlines. This expansion of our local offerings followed the [launch of community-focused podcasts](#) and the addition of 19 local live streams of [CBC Radio](#) in the [CBC News app](#).

In partnership with the [Dart Center for Journalism & Trauma](#) and the [Canadian Journalism Forum on Violence and Trauma](#), we launched [Trauma Aware Journalism \(TAJ\): A News Industry Toolkit](#). These “micro-learning” modules offer practical advice, tips and study guides by leading experts and veteran journalists on how best to ethically cover people affected by trauma, as well as how to protect the psychological safety of news workers.

In June, we hosted [Seeds of Change](#), an industry event that brought together partners and other stakeholders to promote and celebrate the ways that environmentally sustainable change can be accelerated through the content we make. This event was tied to our environmental strategy, [Greening Our Story](#).

Finally, the 2024 eclipse had Canadians reaching for their protective eye gear and [looking to CBC News and Radio-Canada](#) more than any other news sources for coverage of the rare celestial event.

French Services



Our Radio-Canada teams celebrated francophone culture with a series of enriching events and inspirational programming during our first quarter. For the 17th consecutive year, [Révélations Radio-Canada](#) put the spotlight on new emerging artists who can be heard on [Radio-Canada OHdio](#), including Soleil Launière (Indigenous harmonies), Miro Chino (hip hop), Kizaba (Afro electro futurist), Rau_Ze (R&B and neo soul), Donald Dogbo (Afro jazz) and Élisabeth Pion (classical). Additionally, we paid tribute to the iconic Canadian singer-songwriter Jean-Pierre Ferland on [ICI RDI](#), [Radio-Canada OHdio](#) and [ICI TOU.TV](#), commemorating his remarkable legacy.

We introduced a lineup of new and refreshed programs on [ICI TOU.TV](#), including the satirical comedy [Splendeur & Influence](#) and the second season of [Premier trio](#), based on Nadia Lakhdari's novels. The highly anticipated return of the psychological thriller, [Cerebrum](#), was also announced. We also expanded our inclusive digital content by offering [L'ABC Handicaps](#) on [MAJ](#) and creating a [new partnership](#) with [Canal M](#) to expand the reach of podcasts related to the realities of people with disabilities and marginalized people.

On June 15, to foster inclusivity and diverse voices, our teams immersed themselves in the [KWE! Festival](#). This vibrant public event provided an opportunity to explore the rich heritage of Quebec's 11 Indigenous nations through captivating live performances, interactive activities and diverse artistic showcases. Five of our colleagues – [a reporter from Espaces Autochtones](#), [a skilled camera operator](#), [the host of Kuei! Kue!](#), [an Indigenous affairs specialist](#) and [a non-Indigenous ally](#) – participated in the panel, “The importance of including Indigenous communities in the media.” They shared their unique perspectives and experiences, shedding light on their experiences and how Indigenous perspectives are reflected in the media.



Performance Update

Our performance – *Your Stories, Taken to Heart*

Below are the key performance indicators (KPIs) that measure and track our progress with respect to our strategic plan, *Your Stories, Taken to Heart*, and its five strategic priorities: customized digital services, engaging with young audiences, prioritizing our local connections, reflecting contemporary Canada and taking Canada to the world.³ These priorities continue to shape our strategic initiatives. Targets are specific to the markets we operate in and consider a number of factors, such as market realities, competition and service penetration rate.

CUSTOMIZED DIGITAL SERVICES

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
Digital reach (Monthly average unique visitors) ⁴			
CBC/Radio-Canada	20.6M	20.7M	Digital reach is trending slightly below target driven by a slower news cycle. We expect to see growth in the summer months for the Paris 2024 Olympic Games.
CBC	15.6M	16.2M	
Radio-Canada	5.3M	5.3M	Digital reach for Radio-Canada is tracking toward the annual target driven by the performance of ICI TOU.TV.
Digital engagement (Monthly average minutes per visitor) ⁵			
CBC/Radio-Canada	37 min/vis	39 min/vis	Digital engagement is trending slightly below target. We expect results to strengthen as the year progresses, especially with the Paris 2024 Olympic Games.
CBC	27 min/vis	28 min/vis	
Radio-Canada	45 min/vis	48 min/vis	

Our performance metrics are evolving as the media industry continues to undergo a digital transformation. Canadians consume media content on multiple devices from an ever-growing array of content providers. As media consumption habits change, measurement suppliers and the Corporation are refining and introducing new methodologies to ensure accuracy and

³ Our fifth strategic priority – taking Canada to the world – is measured via an internal KPI.

⁴ Source: Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly unique visitors, April to March, Canada. Unduplicated reach of CBC/Radio-Canada | CBC | Radio-Canada digital platforms.

⁵ Source: Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly minutes per visitor to CBC/Radio-Canada | CBC | Radio-Canada digital platforms | CBC News/Regions | Radio-Canada Info/Régions, April to March, Canada.

completeness of data. Since some of these are used to measure our strategic and operational performance, adjustments to targets and historical results may be required to enhance comparability.

ENGAGING WITH YOUNG AUDIENCES

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
Digital visits to kids content (Monthly average visits) ⁶			
CBC/Radio-Canada	2,647K	2,677K	Digital visits are on track to meet the annual target. The first quarter saw some expected slowdowns due to summer seasonality. A significant increase in visits is anticipated when school resumes in September.
CBC	2,284K	2,277K	
Radio-Canada	363K	400K	

PRIORITIZING OUR LOCAL CONNECTIONS

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
Digital engagement with News/Regions (Monthly average minutes per visitor) ⁷			
CBC	20 min/vis	19 min/vis	Digital engagement is on track to meet its target after the first quarter. Key news stories included the coverage of the solar eclipse, the Edmonton Oilers' Stanley Cup run and the federal by-election in Toronto-St. Paul's.
Radio-Canada	11 min/vis	12 min/vis	Digital engagement is tracking slightly below target after the first quarter. We expect results to strengthen as the year progresses.

⁶ Source: Adobe Analytics, average of monthly visits to kids content on CBC (CBC Kids sites, CBC Kids News and CBC Gem) and Radio-Canada (Appli des petits, Zone Jeunesse and ICI TOU.TV), April to March. CBC/Radio-Canada is the sum of CBC and Radio-Canada visits.

⁷ Source: Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly minutes per visitor to CBC/Radio-Canada | CBC | Radio-Canada digital platforms | CBC News/Regions | Radio-Canada Info/Régions, April to March, Canada.



REFLECTING CONTEMPORARY CANADA

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
Employment equity representation (% of new external hires) ⁸			
CBC/Radio-Canada	75.7%	47.5%	The employment equity representation indicator exceeded the target due to increased self-identification rates (100% for the first time) and improved adoption of hiring initiatives.
CBC	86.8%	65.0%	
Radio-Canada	N/A ⁹	27.0%	

Our performance – Media Lines

We use Media Lines reporting to measure performance against our operational targets, which mostly focus on audience reach and share through our various platforms and revenue across all our services. While the Corporation continues to monitor the performance of its discretionary television services, we have not reported our subscriber data for competitive reasons.

TELEVISION (Audience Share)¹⁰

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
CBC News Network	1.7%	2.0%	CBC News Network is trending below target as a result of a slower news cycle drawing in a smaller number of viewers.
ICI RDI, ICI ARTV and ICI EXPLORA	6.5%	6.2%	The combined share of our discretionary channels has been tracking above target, mostly due to ICI RDI's coverage of key news stories.

⁸ This metric is made up of three groups: Indigenous Peoples, persons with disabilities and racialized people.

⁹ Data not displayed as the number of hires is below the threshold to ensure confidentiality of employee responses to the personal information questionnaire.

¹⁰ Source: Numeris PPM, persons aged 2+, CBC News Network (April-March). Francophones in Quebec aged 2+, ICI RDI, ICI ARTV and ICI EXPLORA (April-March).

REVENUE (Conventional, discretionary, online)¹¹

INDICATORS	RESULTS APR 1 TO JUN 30, 2024	TARGETS 2024-2025	EXPLANATION
CBC	\$47M	\$287M ¹²	After the first quarter, revenue is tracking toward the annual target.
Radio-Canada	\$50M	\$293M ¹²	

Measuring our Canadian content¹³

Regulatory requirements for Canadian content on television are specified by the Canadian Radio-television and Telecommunications Commission (CRTC). The table below shows the regulatory requirements for Canadian content on ICI TÉLÉ and CBC Television, effective September 1, 2022.

	YEARLY REQUIREMENTS	RESULTS SEP 1, 2022 TO AUG 31, 2023
ICI TÉLÉ		
Evening broadcast period	60%	90%
CBC Television		
Evening broadcast period	60%	87%

¹¹ Includes advertising revenue, subscription revenue and other revenue (e.g., content sales).

¹² The target for 2024-2025 includes revenue for the Paris 2024 Olympic Games because they are a shared responsibility for CBC and Radio-Canada.

¹³ The broadcast day covers Monday to Sunday, from 6 AM to 12 AM. Prime time covers Monday to Sunday, from 7 PM to 11 PM.






Financial Highlights

For the **three** months ended June 30

	2024	2023	% change
Revenue	115,655	119,184	(3.0)
Government funding	313,164	281,535	11.2
Expenses	(432,385)	(408,539)	5.8
Results before other gains and (losses)	(3,566)	(7,820)	(54.4)
Other gains and losses	(13)	58	N/M
Net results for the period	(3,579)	(7,762)	(53.9)

N/M = not meaningful

Net results for the period were a loss of \$3.6 million this quarter, compared to a loss of \$7.8 million in the same period last year. These results are further explained below.

 REVENUE	<p>Q1</p> <p>2024-2025: \$115.7M 2023-2024: \$119.2M</p> <p>Total decrease -\$3.5M (-3.0%)</p>	<p>This quarter, our revenue decreased by 3.0% primarily due to lower TV advertising revenue as a result of a softer TV advertising market.</p>
 GOVERNMENT FUNDING	<p>Q1</p> <p>2024-2025: \$313.2M 2023-2024: \$281.5M</p> <p>Total increase +\$31.7M (+11.2%)</p>	<p>Government funding recognized in income increased by 11.2%. This seasonal increase was consistent with our expected needs for operating funding in the quarter.</p>
 EXPENSES	<p>Q1</p> <p>2024-2025: \$432.4M 2023-2024: \$408.5M</p> <p>Total increase +\$23.9M (+5.8%)</p>	<p>Our expenses increased this quarter by 5.8% mostly from higher programming costs and the timing of our broadcasting schedule.</p> <p>This increase was partially offset by a lower pension expense.</p>

Revenue

	For the three months ended June 30		
	2024	2023	% change
Advertising			
English Services	27,554	28,189	(2.3)
French Services	30,614	33,863	(9.6)
	58,168	62,052	(6.3)
Subscriber fees			
English Services	15,236	15,332	(0.6)
French Services	15,890	15,199	4.5
	31,126	30,531	1.9
Other income			
English Services	9,443	9,727	(2.9)
French Services	4,793	4,700	2.0
Corporate Services	12,125	12,174	(0.4)
	26,361	26,601	(0.9)
TOTAL	115,655	119,184	(3.0)

Our revenue decreased by \$3.5 million (↓ 3.0%) compared to the same period last year, with the main variances by revenue streams noted on the following page.



Advertising (↓ 6.3%)

Our advertising revenue depends on the different events of significant importance we cover throughout the year, the overall health of the economy and advertising market, and the success of our programming schedule.

	For the three months ended June 30		
	2024	2023	% change
TV advertising	39,489	44,206	(10.7)
Digital advertising	18,679	17,846	4.7
	58,168	62,052	(6.3)

Our total advertising revenue decreased by \$3.9 million (↓ 6.3%) when compared to the same period last year mostly from lower TV advertising revenue as a result of reduced advertising demand and a softer TV advertising market. These declines were slightly offset by higher digital advertising revenue with the shift of audiences and advertisers spend to digital and by video and free ad-supported TV (FAST) channel growth.

Subscriber fees (↑ 1.9%)

Our subscriber revenue is driven by the rates for our discretionary services, digital platforms and our subscriber base. Our discretionary TV services are declining year over year due to the adverse effects of the cord-shaving trend affecting the cable industry and, as a result, the market is seeing a shift to online entertainment subscriptions.

	For the three months ended June 30		
	2024	2023	% change
Discretionary TV platforms	22,928	24,231	(5.4)
Digital platforms	8,198	6,300	30.1
	31,126	30,531	1.9

Our subscriber revenue increased by \$0.6 million (↑ 1.9%) compared to the same period last year due to an increase in subscriber volume and rates on our digital platforms, ICI TOU.TV EXTRA and CBC Gem. This increase was partly offset by ongoing TV subscriber volume declines caused by cord-cutting and cord-shaving.

Other income (↓ 0.9%)

Other income depends on the different events and transactions that take place throughout the year, as it includes production revenue from host broadcasting services and revenue from the sale of content. It also reflects revenue from our rentals, sponsorships, financing and retransmission rights. More information about our revenue streams is provided in Note 12 Revenue of our interim consolidated financial statements.

Other income was stable this quarter compared to the same period last year.

Operating expenses

	For the three months ended June 30		
	2024	2023	% change
Television, radio and digital services costs			
English Services	233,447	200,287	16.6
French Services	176,703	185,615	(4.8)
	410,150	385,902	6.3
Other operating expenses			
Transmission, distribution and collection	15,454	14,820	4.3
Corporate management	2,556	2,766	(7.6)
Finance costs	4,225	5,051	(16.4)
	22,235	22,637	(1.8)
TOTAL	432,385	408,539	5.8

Our total operating expenses increased by \$23.8 million (↑5.8%) compared to the same period last year, with the main variances noted below.

Television, radio and digital services costs (↑6.3%)

Television, radio and digital services costs depend on the different events of importance we cover throughout the year and on our ongoing programming schedule. They represent the costs we incur in relation to the production of our programs, including the cost of our technical labour and facilities.

Our television, radio and digital services costs increased by \$24.2 million (↑6.3%) compared to the same period last year. This quarter, the increase was mostly from higher programming costs and the timing of our broadcasting schedule.

These increases were partly offset by a lower pension expense, consistent with our expectations.



Other operating expenses (↓ 1.8%)

Other operating expenses include costs related to the broadcasting of the Corporation's programs (transmission, distribution and collection costs), corporate management costs, and finance costs.

Other operating expenses decreased by \$0.4 million (↓1.8%) compared to the same period last year mainly due to lower finance costs.

Government funding

	For the three months ended June 30		
	2024	2023	% change
Parliamentary appropriations for operating expenditures	288,027	256,550	12.3
Parliamentary appropriations for working capital	1,000	1,000	-
Amortization of deferred capital funding	24,137	23,985	0.6
TOTAL	313,164	281,535	11.2

Parliamentary appropriations for operating expenditures are recognized based on the amounts voted by Parliament.

*Capital funding is recorded as **deferred capital funding**. It is amortized and recognized as revenue over the same periods as the related property, equipment and intangible assets are used in our operations.*

Parliamentary appropriations for operating expenditures increased by \$31.5 million (↑12.3%). Our government funding recognized in the first quarter was higher due to the timing of our expected needs between quarters.

Amortization of deferred capital funding was stable, consistent with our expectations.

Other gains and losses

	For the three months ended June 30		
	2024	2023	% change
(Loss) gain on disposal of property and equipment and intangibles	(13)	58	N/M
TOTAL	(13)	58	N/M

N/M = not meaningful

Other gains and losses this quarter and in the first quarter last year were related to the retirement of assets in the regular course of our operations.

Total comprehensive income (loss)

	For the three months ended June 30		
	2024	2023	% change
Net results for the period	(3,579)	(7,762)	(53.9)
Other comprehensive income (loss)			
Remeasurements of defined benefit plans	69,369	(73,421)	N/M
Total comprehensive income (loss) for the period	65,790	(81,183)	N/M

N/M = not meaningful

Remeasurements of defined benefit plans are driven by significant non-cash fluctuations in our pension plan's obligations and assets that occur when actual results or interest rates differ from our actuarial assumptions. We recognize these movements immediately in other comprehensive income each year.

Total comprehensive income recognized this quarter was \$65.8 million, compared to a comprehensive loss of \$81.2 million in the same period last year. In addition to our net results, total comprehensive income includes remeasurements of defined benefit plans as described above.

A gain of \$69.4 million was recognized this quarter on remeasurements of defined benefit plans. This was mostly due to a 10 basis-point increase in the discount rate, which decreased the defined benefit obligation by \$77.4 million. This was partly offset by a loss on plan assets of \$8.0 million, resulting from a lower return on plan assets than estimated in our actuarial assumptions.



Capital Resources, Financial Condition and Liquidity

Revenue and other sources of funds

CBC/Radio-Canada has four sources of direct funding: government appropriations for operating and capital expenditures, advertising revenue, subscriber fees, and financing and other income:

Government funding: This year, operating funding was \$288.1 million, capital funding recognized in income was \$24.1 million and working capital was \$1.0 million.

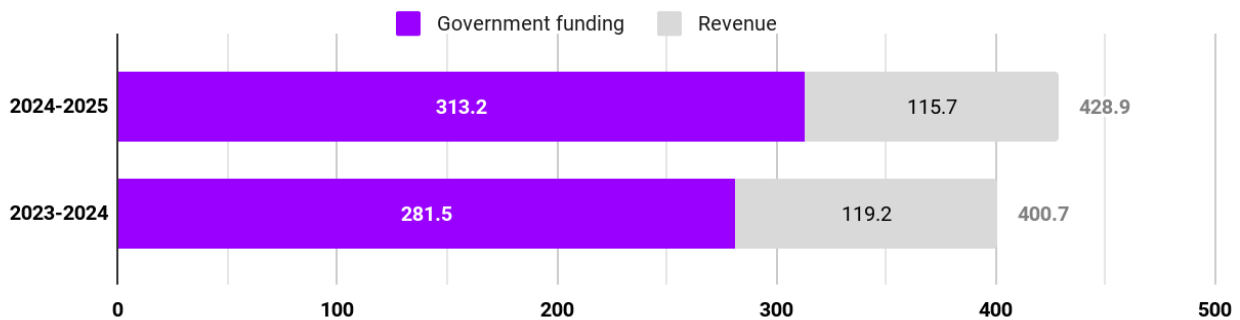
Advertising revenue: This includes ongoing sales of advertising on our conventional television channels, discretionary television services and digital platforms. Advertising revenue driven by events, such as the Olympic Games, can have a material impact on the Corporation’s self-generated revenue. Over the long term, TV advertising revenue is decreasing as a proportion of our total source of funds, mainly as a result of the market’s shift to digital advertising platforms.

Subscriber fees: These are fees from our discretionary services: CBC News Network, *documentary*, CBC Gem, ICI EXPLORA, ICI ARTV, ICI RDI, ICI TOU.TV EXTRA and Curio.ca. Subscriber fees from our traditional platforms are experiencing downward pressure from the continuing cord-cutting and cord-shaving trends. The number of online entertainment subscriptions to our digital platforms is increasing.

Other income: This includes ongoing income from activities such as the rental of real estate assets, content sales, financing income, leasing of space at transmission sites and host broadcasting sports events.

Sources of funding

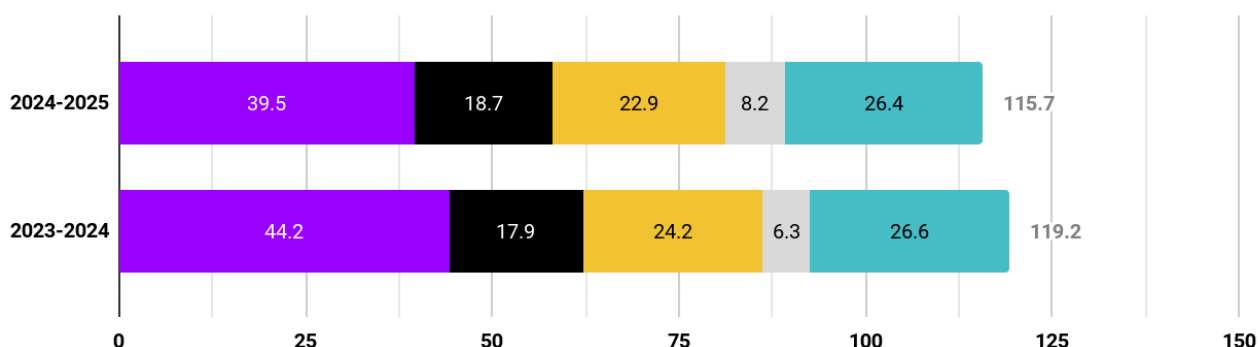
(in \$M)



Revenue

(in \$M)

■ Advertising - TV
 ■ Advertising - Digital platforms
 ■ Subscriber fees - Discretionary TV
 ■ Subscriber fees - Digital platforms
■ Other income



Financial condition, cash flows and liquidity

We rely on parliamentary appropriations and the cash generated from our operations to fund our operating activities and our capital needs in an environment highly dependent on technology. Specifically, our main sources of liquidity are parliamentary appropriations for operating, capital and working capital requirements, and revenue such as from the sale of advertising on our various platforms. Our cash flows from operating, investing and financing activities for the year are summarized below.

Cash and cash equivalents position

	For the three months ended June 30		
	2024	2023	% change
Cash and cash equivalents – beginning of the period	232,567	108,808	N/M
Changes in the period			
Cash used for operating activities	(11,223)	(37,715)	(70.2)
Cash from investing activities	18,719	57,351	(67.4)
Cash used for financing activities	(28,766)	(28,651)	0.4
Net change	(21,270)	(9,015)	N/M
Cash and cash equivalents – end of the period	211,297	99,793	N/M

N/M = not meaningful



Cash used for operating activities

Cash used for operating activities includes cash inflows from our drawdowns of parliamentary appropriations for operating expenditures and working capital. Fluctuations in working capital have a significant impact on cash received or disbursed in the course of our operations.

Cash used for operating activities was \$11.2 million during the first quarter of 2024-2025 compared to \$37.7 million for the same period last year. This decrease was mostly due to seasonal fluctuations in working capital, most notably in programming inventory.

Cash from investing activities

Cash from investing activities includes cash from our drawdowns of parliamentary appropriations for capital expenditures.

Cash from investing activities was \$18.7 million, a decrease of \$38.6 million compared to the same period last year. This decrease in cash inflows was mostly due to the fact that we reinvested the Canada Mortgage Bonds maturities in treasury bills (T-bills), which are classified as cash equivalents.

Cash used for financing activities

Cash used for financing activities includes cash outflows for interest payments, repayments of the Broadcast Centre Trust bonds, payments of notes payable and payments to meet obligations under our leases.

Cash used for financing activities was stable this quarter compared to the same period last year.

Risk Update

We occupy an important place in the Canadian broadcasting system and face a unique set of risks. Like all broadcasters, we must adapt to accelerated technological changes, shifts in demographics, evolving consumer demands, increasing regulatory scrutiny and structural changes in the media ecosystem. We are seeing media professionals confront intimidation and harm, as well as continued sources of disinformation and misinformation. Moreover, given our mandate to serve all Canadians, we also face a unique set of public expectations and financial challenges.

It is our policy to develop, implement and practise effective risk management to ensure risks and opportunities that impact our strategies, objectives and operations are identified, assessed and managed appropriately.

A full assessment of risks, potential impacts and risk mitigation strategies was performed for fiscal year 2024-2025. A summary is provided in our 2023-2024 Annual Report.

There have been no significant changes to our risk profile since year end.



Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these condensed interim consolidated financial statements ("interim financial statements") in accordance with IAS 34 – *Interim Financial Reporting*, and for such internal controls as management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the interim financial statements.

Based on our knowledge, these unaudited interim financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation as at the date of and for the periods presented in the interim financial statements.

Catherine Tait
President and Chief Executive
Officer

Carol Najm
Vice-President and Chief Financial
Officer

Ottawa, Canada

August 28, 2024



FIRST QUARTER
**INTERIM
CONSOLIDATED
FINANCIAL
STATEMENTS**

2024-2025

Q1

CBC  Radio-Canada

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

<i>(in thousands of Canadian dollars)</i>	NOTE	As at June 30 2024	As at March 31 2024
ASSETS			
Current			
Cash and cash equivalents	3	211,297	232,567
Bonds		10,429	10,398
Trade and other receivables	4	122,732	142,914
Programming	6	362,449	343,427
Prepaid expenses		50,850	48,296
Other assets	5	13,777	13,616
		771,534	791,218
Non-current			
Property and equipment	7	736,519	745,348
Intangible assets	8	33,336	34,004
Right-of-use (ROU) assets	9	283,678	288,605
Programming	6	28,021	17,677
Pension plan asset	11	1,849,480	1,783,178
Deferred charges		31,055	30,416
Other assets	5	20,715	23,213
		2,982,804	2,922,441
TOTAL ASSETS		3,754,338	3,713,659
LIABILITIES			
Current			
Accounts payable and accrued liabilities		67,643	100,502
Financial obligations		38,322	39,615
Deferred income and other liabilities		10,033	12,121
Lease liabilities	9	17,523	18,283
Employee-related liabilities		236,286	238,154
Provisions	10	35,953	28,660
Deferred operating vote drawdown	13	27,973	-
		433,733	437,335
Non-current			
Financial obligations		81,932	100,766
Deferred income and other liabilities		400	400
Lease liabilities	9	271,100	274,621
Deferred capital funding	13	548,711	545,848
Pension and post-employment benefits plans	11	202,087	204,104
		1,104,230	1,125,739
TOTAL LIABILITIES		1,537,963	1,563,074
EQUITY			
Retained earnings		2,215,490	2,149,696
Total equity attributable to the Corporation		2,215,490	2,149,696
Non-controlling interests		885	889
TOTAL EQUITY		2,216,375	2,150,585
TOTAL LIABILITIES AND EQUITY		3,754,338	3,713,659

The accompanying notes form an integral part of the condensed interim consolidated financial statements.
Commitments (Note 17)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME (LOSS) (UNAUDITED)

<i>(in thousands of Canadian dollars)</i>	<i>NOTE</i>	For the three months ended June 30	
		2024	2023
REVENUE	<i>12</i>		
Advertising		58,168	62,052
Subscriber fees		31,126	30,531
Other income		26,361	26,601
		115,655	119,184
GOVERNMENT FUNDING	<i>13</i>		
Parliamentary appropriation for operating expenditures		288,027	256,550
Parliamentary appropriation for working capital		1,000	1,000
Amortization of deferred capital funding		24,137	23,985
		313,164	281,535
EXPENSES			
Television, radio and digital services costs		410,150	385,902
Transmission, distribution and collection costs		15,454	14,820
Corporate management costs		2,556	2,766
Finance costs		4,225	5,051
		432,385	408,539
Results before other gains and (losses)		(3,566)	(7,820)
OTHER GAINS AND (LOSSES)			
(Loss) gain on disposal of property and equipment and intangibles		(13)	58
Net results for the period		(3,579)	(7,762)
Net results attributable to:			
The Corporation		(3,575)	(7,773)
Non-controlling interests		(4)	11
		(3,579)	(7,762)

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

<i>(in thousands of Canadian dollars)</i>	<i>NOTE</i>	For the three months ended June 30	
		2024	2023
COMPREHENSIVE INCOME (LOSS)			
Net results for the period		(3,579)	(7,762)
Other comprehensive income (loss) - not subsequently reclassified to net results			
Remeasurements of defined benefit plans	<i>11</i>	69,369	(73,421)
Total comprehensive income (loss) for the period		65,790	(81,183)
Total comprehensive income (loss) attributable to:			
The Corporation		65,794	(81,194)
Non-controlling interests		(4)	11
		65,790	(81,183)

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

<i>(in thousands of Canadian dollars)</i>	<i>NOTE</i>	Retained earnings and total equity attributable to the Corporation	Non-controlling interests	Total
Balance as at March 31, 2024		2,149,696	889	2,150,585
Changes during the period				
Net results for the period		(3,575)	(4)	(3,579)
Remeasurements of defined benefit plans	<i>11</i>	69,369	-	69,369
Total comprehensive income (loss) for the period		65,794	(4)	65,790
Balance as at June 30, 2024		2,215,490	885	2,216,375

<i>(in thousands of Canadian dollars)</i>	<i>NOTE</i>	Retained earnings and total equity attributable to the Corporation	Non-controlling interests	Total
Balance as at March 31, 2023		1,625,836	887	1,626,723
Changes during the period				
Net results for the period		(7,773)	11	(7,762)
Remeasurements of defined benefit plans	<i>11</i>	(73,421)	-	(73,421)
Total comprehensive income (loss) for the period		(81,194)	11	(81,183)
Balance as at June 30, 2023		1,544,642	898	1,545,540

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the **three** months ended June 30

(in thousands of Canadian dollars)

	NOTE	2024	2023
CASH FLOWS FROM (USED IN)			
OPERATING ACTIVITIES			
Net results for the period		(3,579)	(7,762)
Adjustments for:			
Depreciation and amortization	7,8,9	27,238	27,381
Financing and investment income	12	(3,893)	(3,403)
Finance costs		4,225	5,051
Pension and other post-employment plans expenses	11	5,394	8,937
Employer's contribution for Pension and other post-employment plans		(4,344)	(4,392)
Net change in programming asset [non-current]	6	(10,344)	(5,169)
Amortization of deferred capital funding	13	(24,137)	(23,985)
Change in deferred appropriations for operating expenditures		27,973	35,450
Loss (gain) on disposal of property and equipment and intangibles		13	(58)
Net (gains) losses from the change in fair value of financial instruments		-	24
Change in deferred charges		(639)	2,093
Change in deferred income and other liabilities [non-current]		-	(4,328)
Amortization of bond premium		(30)	(257)
Net change in non-cash working capital	14	(29,100)	(67,297)
Cash used for operating activities		(11,223)	(37,715)
INVESTING ACTIVITIES			
Acquisition of property and equipment and intangible assets	7,8	(13,024)	(15,279)
Parliamentary appropriations for capital funding	13	27,000	27,000
Acquisition of other assets		(25)	(24)
Collection of bonds		-	40,240
Collection of other assets		2,309	2,153
Net proceeds from disposal of property and equipment	7	142	56
Interest received		2,317	3,205
Cash from investing activities		18,719	57,351
FINANCING ACTIVITIES			
Payment of lease liabilities	9	(4,414)	(4,200)
Repayment of financial obligations		(17,632)	(16,502)
Interest paid		(6,720)	(7,949)
Cash used for financing activities		(28,766)	(28,651)
Change in cash and cash equivalents		(21,270)	(9,015)
Cash and cash equivalents, beginning of the period		232,567	108,808
Cash and cash equivalents, end of the period		211,297	99,793

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED JUNE 30, 2024 (UNAUDITED)

BUSINESS AND ENVIRONMENT

This Section sets out the basis of preparation of these condensed interim financial statements when compared to the Corporation's latest complete set of audited annual financial statements for the year ended March 31, 2024. This section also shows new and future changes in policies, if any, and whether they are effective in 2024 or later years. We explain how these changes are expected to impact the financial position and performance of the Corporation.

1. GENERAL INFORMATION

CBC/Radio-Canada ("the Corporation", "We", "Us", "Our") was first established by the 1936 Broadcasting Act. The Corporation, a federal Crown Corporation domiciled in Canada, is an agent of His Majesty and all assets and liabilities are those of the Government. Our registered office is located at 181 Queen Street, Ottawa ON K1P 1K9. The Corporation is accountable to Parliament through the Minister of Canadian Heritage and in accordance with section 85(1.1) of the *Financial Administration Act*, the Corporation is exempt from certain sections of this Act¹.

As the national public broadcaster, we provide radio, television and digital services in both official languages, delivering predominantly and distinctly Canadian programming to reflect Canada and its regions to national and regional audiences.

We hold licences, granted by the Canadian Radio-television and Telecommunications Commission (CRTC), for all our conventional television, radio and specialty services. We are required to meet specific regulatory obligations in return for the privilege of holding these broadcasting licences and have elected to record these non-monetary licences at their nominal value of nil.

2. MATERIAL ACCOUNTING POLICY INFORMATION

A. Statement of Compliance

The Corporation has prepared these condensed interim consolidated financial statements as required by Section 131.1(1) of the *Financial Administration Act* which requires most parent Crown Corporations to prepare and make public quarterly financial reports in compliance with the Treasury Board Standard on Quarterly Financial Reports for Crown Corporations.

These condensed interim consolidated financial statements have not been audited or reviewed by the Corporation's external auditor. The Board of Directors has authorized them for issuance on August 28, 2024.

All amounts are in Canadian dollars, which is our functional currency, and rounded to the nearest thousand unless otherwise noted.

¹ The Corporation is exempt from *Divisions I to IV of Part X of the Act, except for sections 89.8 to 89.92, subsection 105(2) and sections 113.1, 119, 131 to 148 and 154.01.*

B. Basis of Preparation

As permitted under IAS 34 *Interim Financial Reporting*, these interim consolidated financial statements are presented on a condensed basis and therefore do not include all disclosures that would otherwise be required in a full set of financial statements. These condensed interim consolidated financial statements are intended to provide an update on the Corporation's latest complete set of audited annual financial statements for the year ended March 31, 2024 ("2023-2024 audited annual financial statements"). Accordingly, they should be read in conjunction with the 2023-2024 audited annual financial statements.

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except as permitted by International Financial Reporting Standards ("IFRS") and as otherwise indicated within these notes.

The accounting policies used in the preparation of these condensed interim financial statements are consistent with those disclosed in the Corporation's 2023-2024 audited annual financial statements.

The accounting policies have been applied consistently to all periods presented unless otherwise noted.

Seasonality

Excluding government appropriations, approximately 50% of the Corporation's ongoing revenue comes from advertising revenue that tends to follow seasonal patterns, with the second quarter typically being the lowest as the summer season typically attracts fewer viewers. Advertising revenue also varies according to market and general economic conditions and the programming schedule. By contrast, subscriber-based revenue is less volatile on a quarter-by-quarter basis. Operating expenses also tend to follow a seasonal pattern, as they are influenced by the programming schedule.

Key Sources of Estimation Uncertainty and Critical Judgments

The preparation of these condensed interim consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities at the date of such financial statements and the reported amounts of revenue and expenses recorded during the period, and all related disclosures.

Estimates are regularly reviewed by management and changes in those estimates are recognized prospectively by including them in our condensed interim consolidated statement of income (loss) in the period of the change, if the change affects that period only; or the period of the change and future periods, if the change affects both. Actual results could significantly differ from those estimates. Similarly, critical judgments are reassessed at each reporting date.

ASSETS AND LIABILITIES

This section shows the assets used and the liabilities incurred, to fulfill our mandate. Only significant items are discussed below.

3. CASH AND CASH EQUIVALENTS

	June 30, 2024	March 31, 2024
Cash on hand and bank balances	111,327	67,941
Cash equivalents	99,970	164,626
Total	211,297	232,567

Cash equivalents consist of Treasury bills (T-bills), which are debt securities issued by the federal government. Interest revenue generated from bank balances and cash equivalents are presented as Financing and investment income totaled \$3.2 million for the quarter (March 31, 2024 - \$8.1 million). Cash equivalents have a maturity date of July 2024 and a rate of 4.66%

4. TRADE AND OTHER RECEIVABLES

	June 30, 2024	March 31, 2024
Trade receivables	109,271	130,690
Provision for expected credit losses	(220)	(197)
Other receivables	13,681	12,421
Total	122,732	142,914

Trade and other receivables are subject to credit risk, which is further discussed in Note 15.B.

5. OTHER ASSETS

	June 30, 2024	March 31, 2024
Investment in Finance Lease	15,845	17,071
Promissory Notes Receivable	14,659	15,782
Marketable securities	3,973	3,948
Assets classified as held for sale	15	28
Total	34,492	36,829
Current	13,777	13,616
Non-current	20,715	23,213

6. PROGRAMMING

Programming consists of programs that require our involvement during the production and acquired licence agreements for programming material.

A. Programming by Category

	June 30, 2024	March 31, 2024
Completed programs	142,067	152,325
Programs in production	147,650	116,117
Broadcast rights available for broadcast within the next twelve months	72,732	74,985
Total current programming	362,449	343,427
Broadcast rights not available for broadcast within the next twelve months	28,021	17,677
Total programming	390,470	361,104

B. Movement in Programming

	June 30, 2024	March 31, 2024
Opening balance	361,104	343,821
Additions	330,557	1,189,209
Programs broadcast	(301,191)	(1,171,926)
Balance, end of period	390,470	361,104

7. PROPERTY AND EQUIPMENT

Cost and Accumulated Depreciation

	Land	Buildings	Leasehold improvements	Technical equipment	Computer, office equipment and other	Uncompleted capital projects	Total
Cost as at April 1, 2024	107,830	471,934	197,480	818,175	178,556	62,710	1,836,685
Additions	7	57	-	546	860	8,560	10,030
Transfers (refer to Note 8)	-	90	185	6,282	635	(7,047)	145
Disposals and write-offs	(15)	(78)	-	(2,511)	(1,281)	-	(3,885)
Cost as at June 30, 2024	107,822	472,003	197,665	822,492	178,770	64,223	1,842,975
Accumulated depreciation as at April 1, 2024	-	(310,491)	(77,130)	(588,439)	(115,277)	-	(1,091,337)
Depreciation expense	-	(2,690)	(2,062)	(9,568)	(4,542)	-	(18,862)
Disposals and write-offs	-	78	-	2,455	1,210	-	3,743
Accumulated depreciation as at June 30, 2024	-	(313,103)	(79,192)	(595,552)	(118,609)	-	(1,106,456)
Net carrying amount as at June 30, 2024	107,822	158,900	118,473	226,940	60,161	64,223	736,519

The contractual commitments for the acquisition of property and equipment were \$13.5 million as at June 30, 2024 (March 31, 2024 - \$16.6 million).

8. INTANGIBLE ASSETS

Cost and Accumulated Depreciation

	Internally developed software	Acquired software	Uncompleted capital projects	Total
Cost as at April 1, 2024	125,190	83,413	5,686	214,289
Additions	-	37	2,621	2,658
Transfers (refer to Note 7)	181	1,725	(2,051)	(145)
Disposals and write-offs	(236)	-	-	(236)
Cost as at June 30, 2024	125,135	85,175	6,256	216,566
Accumulated amortization as at April 1, 2024	(121,943)	(58,342)	-	(180,285)
Amortization expense	(289)	(2,892)	-	(3,181)
Disposals and write-offs	236	-	-	236
Accumulated amortization as at June 30, 2024	(121,996)	(61,234)	-	(183,230)
Net carrying amount as at June 30, 2024	3,139	23,941	6,256	33,336

The contractual commitments for the acquisition of intangible assets were nil as at June 30, 2024 (March 31, 2024 - nil).

9. RIGHT-OF-USE (ROU) ASSETS AND LEASE LIABILITIES

ROU assets consist primarily of real estate leases for the rental of office space and technical equipment to carry our transmission activities. The lease of office space typically runs for periods between 2 and 37 years, and lease of technical equipment (including transmission assets) between 5 and 50 years.

ROU assets

As at June 30, 2024	Land	Buildings	Technical equipment	Total
Net carrying amount for the period	2,112	271,174	10,392	283,678
Depreciation charge for the period	110	4,086	999	5,195

Additions to the ROU assets during the three months ended June 31, 2024 were \$0.2 million (March 31, 2024 - \$2.1 million).

Lease liabilities

	June 30, 2024	March 31, 2024
Land	2,164	2,185
Buildings	275,409	278,543
Technical equipment	11,050	12,176
Lease liabilities included in the Condensed Interim Consolidated Statement of Financial Position	288,623	292,904
Current	17,523	18,283
Non-current	271,100	274,621
Lease liabilities included in the Condensed Interim Consolidated Statement of Financial Position	288,623	292,904

Maturity Analysis

	June 30, 2024	March 31, 2024
Contractual undiscounted cash flows		
Less than one year	25,060	25,839
One to five years	90,547	89,771
More than five years	277,694	283,565
Total undiscounted lease liabilities	393,301	399,175
Lease liabilities included in the Condensed Interim Consolidated Statement of Financial Position	288,623	292,904

Amounts recognized in our Condensed Interim Consolidated Statement of Cash Flows

For the **three** months ended June 30

	2024	2023
Total cash outflow for leases	6,510	6,395
Interest expense related to lease liabilities and presented as Finance costs	2,096	2,195

Some real estate leases in which we are the lessee contain variable lease payments that are linked to an index or rate. These types of payments are common in the real estate industry.

10. PROVISIONS

As at June 30, 2024	Claims and Legal Proceedings	Workforce reduction	Other	Total
Opening balance	16,598	11,943	119	28,660
Additional provisions recognized	8,776	28	-	8,804
Provisions utilized	(450)	(376)	-	(826)
Reductions resulting from remeasurement or settlement without cost	(685)	-	-	(685)
Balance, end of period	24,239	11,595	119	35,953

Various claims and legal proceedings have been asserted or instituted against us. Some of these claims or legal proceedings demand large monetary damages or other forms of relief, and could create significant expenditures. They include ongoing legal, compensation, employment matters and copyright tariffs against CBC/Radio-Canada.

On December 4, 2023 the Corporation announced the elimination of the equivalent of approximately 600 full-time positions to mitigate anticipated financial pressures for 2024-2025. Expenses related to this **workforce reduction** comprise severance, benefits continuation and outplacement services, and were recognized where demonstrably committed and reasonable.

Other provisions consist mainly of environmental decommissioning liabilities.

All provisions are classified as current because we are working to resolve these matters within 12 months.

11. PENSION PLANS AND EMPLOYEE-RELATED BENEFITS

A. Pension Plans Asset/Liabilities

The amount included in our Condensed Interim Consolidated Statement of Financial Position arising from our obligation in respect of our defined benefit plans is as follows:

	Funded pension plan	Unfunded pension plans	Other post-employment plans	Total	Funded pension plan	Unfunded pension plans	Other post-employment plans	Total
	June 30, 2024				March 31, 2024			
Fair value of plan assets	8,044,024	-	-	-	8,022,041	-	-	-
Defined benefit obligation	(6,194,544)	(114,668)	(87,419)	(202,087)	(6,238,863)	(115,502)	(88,602)	(204,104)
Net asset (liability) arising from defined benefit obligation	1,849,480	114,668	87,419	202,087	1,783,178	115,502	88,602	204,104

B. Significant Actuarial Assumptions

As disclosed in Note 12 *Pension Plans and Employee-Related Benefits* of the Corporation's 2023-2024 audited annual financial statements, the Corporation reviews its actuarial assumptions at each reporting period to ensure that the net defined benefit asset (liability) recognized in the financial statements is updated for significant changes arising from non-recurring events. The impact on the net defined benefit asset (liability) arising from any such changes in assumptions is recognized in other comprehensive income as a remeasurement for the period.

The significant actuarial assumptions used for the purposes of determining the defined benefit obligation and pension benefit costs were:

Assumptions – annual rates	June 30, 2024	March 31, 2024
Assumptions for the calculation of pension benefit costs:		
Discount rate	4.89%	4.90%
Assumptions for the calculation of the benefit obligation:		
Discount rate - pension	4.99%	4.89%
Discount rate - long service gratuity	4.84%	4.74%
Discount rate - LTD benefit	4.84%	4.74%
Discount rate - life insurance	4.97%	4.87%

C. Pension and Other Post-Employment Plans Expense

Amounts recognized in net results, net remeasurements recognized in other comprehensive income (loss) and contributions were as follows:

	For the three months ended June 30			
	Pension plans		Other post-employment plans	
	2024	2023	2024	2023
Current service cost	22,056	20,131	1,085	1,021
Net interest cost (income)	(19,888)	(14,326)	861	889
Other expenses (income)	1,375	1,375	(95)	(153)
Expense recognized in net income	3,543	7,180	1,851	1,757
Net actuarial (gains)/losses arising from changes in financial assumptions	(81,721)	57,288	(359)	(671)
Net actuarial (gains)/losses arising from experience adjustments	4,696	(659)	-	-
Variation of the effect of the asset ceiling	-	(5,262)	-	-
Return on plan assets, excluding amounts included in net interest expense	8,015	22,725	-	-
Net remeasurements recognized in other comprehensive income (loss)	(69,010)	74,092	(359)	(671)
Employer contributions	1,669	1,622	2,675	2,770
Employee contributions	18,015	14,507	-	-
Total contributions	19,684	16,129	2,675	2,770

The Canadian Broadcasting Corporation Pension Plan (the “Plan”) is funded on the basis of actuarial valuations, which are made on an annual basis. Employees are required to contribute a percentage of their pensionable salary to the Plan. The Corporation provides the balance of the funding, as required, based on actuarial valuations. Starting on April 21, 2022, CBC/Radio-Canada has been required to take a contribution holiday in accordance with the *Income Tax Act*.

Retained earnings include \$2,506.4 million of cumulative actuarial gains as at June 30, 2024 (\$2,437.0 million - March 31, 2024).

INCOME, EXPENSES AND CASH FLOWS

This Section focuses on our results and cash flows. On the following pages you will find disclosures describing our revenue and government funding for the period and supplemental cash flow information.

12. REVENUE

For the three months ended June 30	2024	2023
Advertising		
TV advertising ¹	39,489	44,206
Digital advertising	18,679	17,846
Total advertising	58,168	62,052
Subscriber fees	31,126	30,531
Other income		
Production revenue ²	9,143	7,786
Program licence sales	3,525	4,895
Canadian retransmission rights	1,050	1,050
Other	966	1,089
Total revenue from contracts with customers	103,978	107,403
Other income		
Leasing income	7,951	8,156
Financing and investment income	3,893	3,403
Net (loss) gains on foreign exchange and change in fair value of financial instruments	(167)	222
Revenue outside the scope of IFRS 15 - Revenue from Contracts with Customers	11,677	11,781
Total Revenue	115,655	119,184

¹ For the period ended June 30, 2024, TV advertising included revenue from exchange of services of \$0.3 million (\$0.3 million - 2023).

² For the period ended June 30, 2024, Production revenue included revenue from exchange of services of \$5.9 million (\$5.3 million - 2023).

Advertising Revenue

For the three months ended June 30	2024	2023
Advertising revenue		
English services	27,554	28,189
French services	30,614	33,863
Total	58,168	62,052

Subscriber Revenue

For the three months ended June 30	2024	2023
Subscriber revenue		
English services	15,236	15,332
French services	15,890	15,199
Total	31,126	30,531

Contract Balances with customers

Contract assets with customers are presented under “Trade and Other Receivables” in our Condensed Interim Consolidated Statement of Financial Position. Trade and Other Receivables include \$23.1 million of contract assets as at June 30, 2024 (March 31, 2024 – \$22.1 million). There was no impairment loss on contract assets for the period considered.

Contract liabilities with customers are presented as current liabilities under “Deferred Revenue and other liabilities” in our Condensed Interim Consolidated Statement of Financial Position. Deferred Revenue includes \$7.2 million of contract liabilities as at June 30, 2024 (March 31, 2024 - \$4.0 million).

13. GOVERNMENT FUNDING

We receive a substantial portion of our funding from the Government of Canada.

A. Government funding

Parliamentary appropriations approved are as follows:

For the three months ended June 30	2024	2023
Operating funding	316,000	292,000
Capital funding	27,000	27,000
Working capital funding	1,000	1,000
Balance, end of period	344,000	320,000

B. Deferred operating vote drawdown

Parliamentary appropriation for operating expenditures is recognized in our Condensed interim consolidated statement of income (loss) based on the net difference between quarterly budgeted expenses and revenue.

Quarterly budgets are established from the annual budget approved by the Board of Directors at the beginning of each year and reflect expected appropriation funding for the year and seasonal impacts of expenditures and self-generated revenue.

	June 30, 2024	March 31, 2024
Operating funding received during the period	316,000	1,340,114
Less: Parliamentary appropriation for operating expenditures recognized in the condensed interim consolidated statement of income (loss) for:		
the three months ended June 30	(288,027)	(256,550)
the three months ended September 30	-	(306,036)
the three months ended December 31	-	(300,908)
the three months ended March 31	-	(476,620)
Balance, end of period	27,973	-

C. Deferred capital funding

Capital funding received is recorded as Deferred Capital Funding in our condensed interim consolidated statement of financial position, with income being recognized in our condensed interim consolidated statement of income (loss) over the same basis and over the same periods as the assets acquired using the appropriations.

	June 30, 2024	March 31, 2024
Opening balance	545,848	528,340
Government funding for capital expenditures	27,000	110,046
Amortization of deferred capital funding for:		
the three months ended June 30	(24,137)	(23,985)
the three months ended September 30	-	(23,984)
the three months ended December 31	-	(23,985)
the three months ended March 31	-	(20,584)
Balance, end of period	548,711	545,848

14. MOVEMENTS IN WORKING CAPITAL

For the three months ended June 30	2024	2023
Changes in Working Capital are comprised of:		
Trade and other receivables	21,807	13,224
Programming asset [current]	(19,022)	(52,563)
Prepaid expenses	(2,697)	(2,650)
Accounts payable and accrued liabilities	(32,532)	(28,922)
Provisions	7,293	4,301
Employee-related liabilities	(1,868)	(765)
Deferred Revenues and other liabilities [current]	(2,081)	78
Total	(29,100)	(67,297)

OTHER

This section discloses information related to our financial instruments, related parties and commitments.

15. FINANCIAL INSTRUMENTS

A. Fair Value

There were no changes in our valuation process, valuation techniques, and types of inputs used in the fair value measurements during the period.

The carrying values and fair values of our other financial assets and financial liabilities are listed in the following table:

	June 30, 2024		March 31, 2024		Fair Value Level ¹
	Carrying values	Fair values	Carrying values	Fair values	
<i>Financial instruments measured at amortized cost:</i>					
Bonds	10,429	10,356	10,398	10,322	Level 2
Promissory notes receivable	14,659	14,781	15,782	15,948	Level 2
Investment in finance lease	15,845	17,967	17,071	19,201	Level 2
Other assets	15	15	28	28	Level 2
Financial obligations	120,254	123,093	140,381	144,502	Level 2

¹Method refers to the hierarchy levels described in Note 2 B iii) of our 2023-2024 audited annual financial statements. Each level is based on the availability of observable inputs used to measure the fair values of assets and liabilities.

There have been no transfers between levels during the three months ended June 30, 2024.

B. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. We record a provision for potential credit losses based on an ECL model in accordance with IFRS 9 *Financial Instruments*. Actual losses have not exceeded management's expectations in the past. Our maximum exposure to credit risk at June 30, 2024 and March 31, 2024 is the carrying value of these assets. We disclose full descriptions of credit risks related to our financial instruments and how we manage those risks in Note 19 *Financial Instruments* of our 2023-2024 audited annual financial statements. There has been no change in the nature of the risks and how we manage them in the three-month period ended June 30, 2024.

Trade and other receivables

The tables below provide an aging of our customer trade and other receivables.

Trade and other receivables over 30 days	June 30, 2024	March 31, 2024
31 - 60 days	12,234	22,396
61 - 90 days	14,291	10,874
Over 90 days	18,470	22,593
Total	44,995	55,863

16. RELATED PARTIES

We enter into transactions with these related parties in the normal course of business, on normal trade terms applicable to all individuals and enterprises and at market prices. We record these transactions at fair value.

In addition, cash payments for our contributions to the defined benefit plans are disclosed in Note 11C.

A. Transactions with Related Parties Excluding Government-Related Entities

The transactions carried out with related parties are not significant.

There are no significant amounts owing to related parties at June 30, 2024 (not significant - March 31, 2024) and no expense was recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

B. Transactions with Government-Related Entities

We are a Federal Crown Corporation that operates in an economic environment dominated by entities directly or indirectly controlled by the federal government through its government authorities, agencies, affiliations and other organizations (collectively referred to as “government-related entities”). We have transactions with other government-related entities including but not limited to sales and purchases of goods and rendering and receiving of services.

Canada Mortgage Bonds (CMB)

The total investment at June 30, 2024 is \$10.4 million (\$10.4 million - March 31, 2024). CMBs are issued by Canada Housing Trust (CHT), a special purpose trust guaranteed by Canada Mortgage and Housing Corporation (CMHC), another Crown Corporation, and backed by the Government of Canada.

Government of Canada Treasury Bills (T-bills)

The total investment at June 30, 2024 is \$99.9 million (\$164.6 million - March 31, 2024). T-bills are debt securities issued by the federal government.

17. COMMITMENTS

Commitments are discussed in Note 22 *Commitments* of the Corporation’s 2023-2024 audited annual financial statements. Commitments for the purchase of property and equipment and intangible assets this quarter are disclosed within Note 7 *Property and Equipment* and Note 8 *Intangible assets* of this report.