



Law Commission of Canada Commission du droit du Canada

Law Commission of Canada

Quarterly Financial Report

For the quarter ended June 30, 2024

Canada

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1. Introduction

This quarterly report has been prepared by management as required by section 65.1 of the [Financial Administration Act](#) and in the form and manner prescribed by the Treasury Board. This quarterly report should be read in conjunction with the Main Estimates. This report has not been subject to an external audit or review.

The purpose of the Law Commission of Canada (LCC) is “to study and keep under systematic review, in a manner that reflects the concepts and institutions of the common law and civil law systems, the law of Canada and its effects with a view to providing independent advice on improvements, modernization and reform that will ensure a just legal system that meets the changing needs of Canadian society and of individuals in that society”. (s.3 [Law Commission of Canada Act](#) S.C. 1996, c.9)

1.1 Basis of Presentation

Management prepared this quarterly report using an expenditure basis of accounting. The accompanying Statement of Authorities includes the LCC’s spending authorities granted by Parliament, and those used by the LCC, consistent with the [Main and Supplementary Estimates](#) (as applicable) for the 2024-2025 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before the Government can spend money. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

The LCC uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

1.2 Law Commission of Canada Financial Structure

The LCC financial structure is comprised of the following budgetary authorities:

- Vote 1 - Operating Expenditures and;
- Statutory authorities related to contributions to the Employee Benefit Plan (EBP).

2. Highlights of the Fiscal Quarter and the Fiscal Year-To-Date (YTD) Results

Fiscal year 2024-25 marks the first full complete year for the LCC. The LCC officially commenced operations in June, 2023 and this resulted in a substantial deferral of operational activities in 2023-24, especially in the first quarter of 2023-24. As a result, expenditures during Q1 of 2023-24 were lower as a reflection in the delay in operations as the LCC began to deliver on its mandate. It is anticipated that as the year progresses, expenditures will continue to increase in order to match the total authorities available for the LCC.

Statement of Authorities

The total authorities available for use is lower in fiscal year 2024-25 compared to 2023-24 (\$3.9 million and \$4.3 million respectively). This is a result of authorities granted in the prior year to move the LCC to a permanent office location. Since the LCC commenced operations in June, 2023, there has been a delay in securing a permanent office location. The LCC is seeking to reprofile funds from prior years to fund the relocation to its permanent office location scheduled for this fiscal year.

Statement of Departmental Budgetary Expenditures by Standard Object

During the first quarter of 2024-25, expenses increased by \$388,399 compared to the first quarter of the previous year. This variance is primarily due an increase in personnel as a result of recruiting and retaining staff for the LCC secretariat to fulfill its mandate since its official commencement in June, 2023.

3. Risks and Uncertainties

Given that this is the first complete year for the LCC and given the delay in launching operational activities, the LCC's ability to spend authorities will depend on building its capacity and team necessary to design, shape, and provide a policy-based plan for, its goals, measures and results for this year and beyond. As a result, there could be delays in spending its full authorities.

As a new micro-organization, LCC employees often occupy unique positions. It is important to retain skilled employees and reduce hiring delays when vacancies arise. This is a constant challenge, especially for a micro-organization. To mitigate this risk, the LCC will continue to be proactive in hiring staff and offering flexible work arrangements to employees when feasible.

Other risks include determining viable mechanisms for fulfilling its mandate through support of other organizations in the legal field, whether academic or not-for-profit in order to serve its purpose as stated in the [Law Commission of Canada Act](#).

4. Significant Changes in Relation to Operations, Personnel and Programs

There have been no significant changes in relation to operations, personnel and programs during this quarter.

5. Approval by Senior Officials

This section provides the approval of Senior Officials, as required by the [Policy on Financial Management](#).

Approved by:

Shauna Van Praagh
President

*Ottawa, Canada
August 13, 2024*

Tracey O'Donnell
Executive Director and Chief Financial Officer

Statement of Authorities (unaudited) (in dollars)

	Fiscal year 2024–2025			Fiscal year 2023–2024		
	Total available for use for the year ending March 31, 2025 *	Used during the quarter ended June 30, 2024	Year to date used at quarter-end	Total available for use for the year ending March 31, 2024 *	Used during the quarter ended June 30, 2023	Year to date used at quarter-end
Vote 1 - Operating Expenditures	3,705,780	411,267	411,267	4,106,946	49,735	49,735
Budgetary Statutory Authority - Contributions to employee benefit plans	169,815	42,454	42,454	187,042	15,587	15,587
Total Authorities	3,875,595	453,721	453,721	4,293,988	65,322	65,322

* Includes only Authorities available for use and granted by Parliament at quarter-end.

Departmental budgetary expenditures by Standard Object (unaudited) (in dollars)

Expenditures	Fiscal year 2024–2025			Fiscal year 2023–2024		
	Planned expenditures for the year ending March 31, 2025	Expended during the quarter ended June 30, 2024	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year to date used at quarter-end
Personnel *	1,400,356	427,003	427,003	1,417,583	65,322	65,322
Transportation and communications	139,405	14,266	14,266	161,999	0	0
Information	14,184	833	833	16,483	0	0
Professional and special services	1,003,001	11,459	11,459	1,341,028	0	0
Rentals	328,935	0	0	382,246	0	0
Repair and maintenance	419,689	0	0	487,709	0	0
Utilities, materials and supplies	150,998	160	160	0	0	0
Acquisition of land, buildings and works	0	0	0	0	0	0
Acquisition of machinery and equipment	419,027	0	0	486,940	0	0
Other subsidies and payments	0	0	0	0	0	0
Total Net Budgetary Expenditures	3,875,595	453,721	453,721	4,293,988	65,322	65,322

* Includes Employee Benefit Plan (EBP) expenses.