Law Commission of Canada Quarterly Financial Report For the quarter ended June 30, 2025

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 (Law Commission of Canada)'s spending authorities granted by Parliament, and those used by the LCC (Law Commission of Canada), 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.

When Parliament is dissolved for the purposes of a general election, section 30 of the Financial Administration Act authorizes, under certain conditions, the preparation of a special warrants to be signed by the Governor General authorizing payments to be made out of the Consolidated Revenue Fund. Special warrants are deemed to be an appropriation for the fiscal year in which they are issued.

Special warrants issued during the first quarter (Q1) 2025-2026 were included in the total appropriations in Main Estimates 2025-26.

The LCC (Law Commission of Canada) 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 (Law Commission of Canada) 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

The LCC (Law Commission of Canada) officially commenced operations in June 2023, and this resulted in a substantial deferral of operational activities. It is anticipated that as the 2025-26 year progresses, expenditures will continue to increase to match the total authorities available for the LCC.

Statement of Authorities

There is no significant variance between total available authorities in fiscal years 2025-26 ($3.9 million) and 2024-25 ($3.9 million) during the first quarter.

Statement of Departmental Budgetary Expenditures by Standard Object

As of the first quarter of 2025–26, expenditures were $0.2 million higher than those reported in the same period of 2024–25. This increase is primarily due to higher personnel costs, driven by efforts to recruit and retain staff for the LCC (Law Commission of Canada) Secretariat, which has been operational since its official launch in June 2023. Additionally, the variance reflects expenditures associated with an increase of activities of the LCC (Law Commission of Canada).

3. Risks and Uncertainties

Given that the LCC (Law Commission of Canada) is a relatively new permanent micro-organization, the LCC (Law Commission of Canada)'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 relatively new micro-organization, LCC (Law Commission of Canada) 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 (Law Commission of Canada) 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

During this quarter, Robert Sampson joined the LCC (Law Commission of Canada) as Director General, Strategy, Policy & Planning, and Deputy Chief Executive Officer.

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	Tracey O'Donnell
President	Executive Director and Chief Financial Officer

Ottawa, Canada

August 6, 2025

Statement of Authorities (unaudited) (in dollars)

Statement of Authorities (unaudited) (in dollars)

	Fiscal year 2025–2026			Fiscal year 2024–2025		
	Total available for use for the year ending March 31, 2026 *	**Used during the quarter ended June 30, 2025**	**Year to date used at quarter-end**	**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**
Vote 1 - Operating Expenditures**	3,705,781	616,630	616,630	3,705,780	411,267	411,267
Budgetary Statutory Authority - Contributions to employee benefit plans	188,273	47,068	47,068	169,815	42,454	42,454
Total Authorities	**3,894,054**	**663,698**	**663,698**	**3,875,595**	**453,721**	**453,721**

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

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

	Fiscal year 2025–2026			Fiscal year 2024–2025		
Expenditures	**Planned expenditures for the year ending March 31, 2026**	**Expended during the quarter ended June 30, 2025**	**Year to date used at quarter-end**	**Planned expenditures for the year ending March 31, 2025**	**Expended during the quarter ended June 30, 2024**	**Year to date used at quarter-end**
Personnel *	1,418,814	482,895	482,895	1,400,356	427,003	427,003
Transportation and communications	139,405	22,637	22,637	139,405	14,266	14,266
Information	14,184	134,210	134,210	14,184	833	833
Professional and special services	1,003,002	23,671	23,671	1,003,001	11,459	11,459
Rentals	328,935	0	0	328,935	0	0
Repair and maintenance	419,689	0	0	419,689	0	0
Utilities, materials and supplies	150,998	10	10	150,998	160	160
Total Net Budgetary Expenditures	**3,894,054**	**663,698**	**663,698**	**3,875,595**	**453,721**	**453,721**

	Fiscal year 2025–2026			Fiscal year 2024–2025		
Expenditures	**Planned expenditures for the year ending March 31, 2026**	**Expended during the quarter ended June 30, 2025**	**Year to date used at quarter-end**	**Planned expenditures for the year ending March 31, 2025**	**Expended during the quarter ended June 30, 2024**	**Year to date used at quarter-end**
Acquisition of land, buildings and works	0	0	0	0	0	0
Acquisition of machinery and equipment	419,027	334	334	419,027	0	0
Other subsidies and payments	0	-58	-58	0	0	0
Total Net Budgetary Expenditures	**3,894,054**	**663,698**	**663,698**	**3,875,595**	**453,721**	**453,721**

*Includes Employee Benefit Plan (EBP) expenses.

Date modified: 2025-08-11