# Law Commission of Canada Quarterly Financial Report For the quarter ended December 31, 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 2025-2026 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 (Law Commission of Canada).

### *Statement of Authorities*

Total available authorities for the third quarter were $4.1 million in fiscal year 2025-26 compared to $4.8 million in fiscal year 2024-25. This decrease of $0.7 million is primarily attributed to authorities received last fiscal year through the Supplementary Estimates (B) exercise to fund the LCC's relocation to a permanent office, a project finalized at the end of the 2024-25 fiscal year.

### *Statement of Departmental Budgetary Expenditures by Standard Object*

As of the third quarter of 2025–26, expenditures were $0.2 million higher than those reported in the same period of 2024–25. This increase primarily reflects a general increase of activities at the LCC (Law Commission of Canada) across various spending categories (for example personnel, as the LCC stabilizes key positions).

# 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.

# 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 | Tracey O'Donnell |
| President | Executive Director and Chief Financial Officer |

*Ottawa, Canada*

*February 18, 2026*

# 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 December 31, 2025** | **Year to date used at quarter-end** | **Total available for use for the year ending March 31, 2025 ** ** | **Used during the quarter ended December 31, 2024** | **Year to date used at quarter-end** |
| **Vote 1 - Operating Expenditures**** | 3,891,070 | 918,386 | 2,094,907 | 4,646,128 | 742,362 | 1,663,465 |
| **Budgetary Statutory Authority - Contributions to employee benefit plans** | 188,273 | 47,068 | 141,205 | 169,815 | 42,454 | 127,361 |
| **Total Authorities** | **4,079,343** | **965,454** | **2,236,112** | **4,815,943** | **784,815** | **1,790,826** |

* Numbers have been rounded to reconcile tables.

** 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 December 31, 2025** | **Year to date used at quarter-end** | **Planned expenditures for the year ending March 31, 2025** | **Expended during the quarter ended December 31, 2024** | **Year to date used at quarter-end** |
| **Personnel **** | 1,486,325 | 626,150 | 1,515,179 | 1,474,554 | 441,331 | 1,324,922 |
| **Transportation and communications** | 146,038 | 38,911 | 72,136 | 146,791 | 14,830 | 40,457 |
| **Information** | 14,859 | 76,478 | 294,554 | 14,936 | 36,451 | 58,785 |
| **Professional and special services** | 1,050,727 | 194,750 | 321,928 | 1,791,145 | 265,174 | 281,010 |
| **Rentals** | 344,587 | 204 | 204 | 346,364 | 82,175 | 82,175 |
| **Repair and maintenance** | 439,659 | 0 | 0 | 441,926 | 0 | 0 |
| **Utilities, materials and supplies** | 158,183 | 610 | 1,983 | 158,999 | 449 | 1,131 |
| **Total Net Budgetary Expenditures** | **4,079,343** | **965,454** | **2,236,112** | **4,815,943** | **784,815** | **1,790,826** |

| | Fiscal year 2025–2026 | | | Fiscal year 2024–2025 | | |
|---|---|---|---|---|---|---|
| **Expenditures** | **Planned expenditures for the year ending March 31, 2026** | **Expended during the quarter ended December 31, 2025** | **Year to date used at quarter-end** | **Planned expenditures for the year ending March 31, 2025** | **Expended during the quarter ended December 31, 2024** | **Year to date used at quarter-end** |
| **Acquisition of land, buildings and works** | 0 | 0 | 0 | 0 | -57,410 | 0 |
| **Acquisition of machinery and equipment** | 438,965 | 28,056 | 28,715 | 441,229 | 348 | 402 |
| **Other subsidies and payments** | 0 | 295 | 1,413 | 0 | 1,467 | 1,944 |
| **Total Net Budgetary Expenditures** | **4,079,343** | **965,454** | **2,236,112** | **4,815,943** | **784,815** | **1,790,826** |

* Numbers have been rounded to reconcile tables.

** Includes Employee Benefit Plan (EBP) expenses.

Date modified: 2026-02-20