

# Ministry of Justice

## Law Reform Commission of Saskatchewan



2012-13  
ANNUAL REPORT



Government  
of  
Saskatchewan



# Table of Contents

**Letter of Transmittal..... 2**

**About the Commission..... 3**

    Objectives ..... 3

    Commissioners..... 3

    Contact Information..... 3

    Previous Members of the Commission ..... 4

    Financial Information..... 4

**Research Program and Activities ..... 5**

    Consideration of Current Law Reform Issues ..... 5

    Implementation of Recent Projects ..... 5

    Citation of Commission Reports by the Courts ..... 5

**Research Program 2012-13..... 6**

    Completed Projects ..... 6

    Ongoing Work of the Commission ..... 6

**Management’s Responsibility for Financial Statements ..... 7**

**Financial Statements ..... 8**

This annual report is also available in electronic form from the Ministry’s website at [www.justice.gov.sk.ca](http://www.justice.gov.sk.ca).

## Letters of Transmittal



Her Honour, the Honourable Vaughn Solomon Schofield,  
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I have the honour of submitting the Annual Report of the Law Reform Commission of Saskatchewan for the fiscal year ending March 31, 2013.

Respectfully submitted,

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Gordon S. Wyant, Q.C.  
Minister of Justice and Attorney General



The Honourable Gordon S. Wyant, Q.C.  
Minister of Justice and Attorney General

Dear Sir:

I have the honour of submitting the Annual Report of the Law Reform Commission of Saskatchewan for the fiscal year ending March 31, 2013.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'D. Layh' with a stylized flourish at the end.

Donald H. Layh, Q.C.  
Chair

# About the Commission

## Objectives

The Law Reform Commission of Saskatchewan (the Commission) was established by *An Act to Establish a Law Reform Commission*, proclaimed in force in November 1973. The Commission began functioning in February 1974.

*The Law Reform Commission Act* provides that:

The Commission shall take and keep under review all the law of the province, including statute law, common law and judicial decisions, with a view to its systematic development and reform, including the codification, elimination of anomalies, repeal of obsolete and unnecessary enactments, reduction in the number of separate enactments and generally the simplification and modernization of the law.

Topics for the Commission's research program are brought before meetings of the Commission for consideration. These topics may originate from a recommendation of the Minister of Justice and Attorney General (the Minister), the Commission and its staff, the judiciary, the legal profession, other professional organizations, or the public. Once the research study in a particular project is completed, the matter is placed before the Commission for discussion and consideration. The Commission may decide to issue background papers or tentative proposals for circulation to the public in order to obtain criticism and comment prior to the preparation of a final report. Consultations may entail public meetings, hearings and workshops. The Commission's recommendations are embodied in its final report to the Minister.

The Commission works closely with the Ministry of Justice (the Ministry) in formulating research projects and facilitating adoption of its proposals. The Commission has also made an ongoing contribution on behalf of the province to the national work of the Uniform Law Conference of Canada (ULCC). Commissioners and the Director of Research have served as members of the ULCC for many years.

The Commission is a member of the Federation of Law Reform Agencies of Canada.

## Commissioners

- Mr. Donald H. Layh, Q.C. Chair  
*Practising Lawyer*
- Ms. Susan Amrud, Q.C.  
*Saskatchewan Ministry of Justice*
- Professor Ronald C. Cuming, Q.C.  
(Chair 1978-82)  
*College of Law*  
*University of Saskatchewan*
- The Honourable Georgina R. Jackson  
*Justice of the Court of Appeal for Saskatchewan*
- Professor Michaela Keet  
*College of Law*  
*University of Saskatchewan*
- Mr. Michael Milani, Q.C.  
*Practising Lawyer*

## Contact Information

The Commission may be contacted at:

Law Reform Commission of Saskatchewan  
University of Saskatchewan  
Room 209, College of Law  
15 Campus Drive  
SASKATOON SK S7N 5A6

Telephone (306) 966-1625  
Fax (306) 966-5900

Email: [director.research@sasklawreform.com](mailto:director.research@sasklawreform.com)

## Previous Members of the Commission

- Professor Brian A. Grosman, Q.C.  
(Chair 1974-78)
- Professor Ronald C. Cuming, Q.C.  
(Chair 1978-82)  
*Active member of the Commission*
- Dr. D.A. Schmeiser, Q.C.  
(Chair 1982-87)
- Mr. Dale Linn, Q.C.  
(Chair 1987-92)
- Mr. Kenneth P.R. Hodges, Q.C.  
(Chair 1992-2000; Member 2000-2012)
- Ms. Merrilee Rasmussen, Q.C.  
(Chair 2000-08)
- Ms. Kathleen Robertson  
(Chair 2008-09)
- The Honourable E.D. Bayda, Q.C.  
(1974-76)  
*Former Chief Justice of the Court of Appeal for Saskatchewan*
- Mr. George J.D. Taylor, Q.C. (1974-82)
- The Honourable Marjorie A. Gerwing  
(1976-92)  
*Former Justice of the Court of Appeal for Saskatchewan*
- Mr. Gordon J. Kuski, Q.C.  
(1982-92)
- The Honourable Gene Anne Smith  
(1992-98)  
*Former Justice of the Court of Appeal for Saskatchewan*
- Ms. Gailmarie Anderson  
(1992-2001)
- The Honourable Dianne Morris  
(1992-2002)  
*Former Judge of the Provincial Court of Saskatchewan*
- Mr. Douglas Moen, Q.C.  
(2000-02)
- Mr. Alan McIntyre  
(2000-08)
- The Honourable Robert D. Laing  
(2003-06)  
*Justice of the Court of Queen's Bench*
- Ms. Sarah Buhler  
(2003-08)
- Ms. Carole Lavallee  
(2003-09)
- Ms. Susan Bates  
(2003-09)

## Financial Information

The Law Reform Commission is financed by annual grants from the Government of Saskatchewan and the Law Foundation of Saskatchewan. In the 2012-13 fiscal year, the Commission received a grant of \$60,000 from the Government of Saskatchewan (through the Ministry) and a grant of \$60,000 from the Law Foundation of Saskatchewan.

Commissioners, other than the judicial and provincial government representatives, receive honoraria from the Law Reform Commission of Saskatchewan based on the Order in Council by which they are appointed. The Chair receives \$235 per day when engaged in work of the Commission. Commissioners receive \$155 per day. The Director of Research provides services at the rate of \$94,200 per annum.

# Research Program and Activities

## Consideration of Current Law Reform Issues

Community and stakeholder involvement in the consultation process is vital in raising awareness of legal issues and law reform throughout Saskatchewan and Canada. Interested and engaged individuals and groups mean better input into the process of legal reform, resulting in more effective and appropriate recommendations by the Commission.

The Commission's work is directed towards legal reform in the best interests of the people of Saskatchewan. Additionally, the consultation process engages the public and stakeholders in the Commission's work, thereby educating them on the current and proposed state of the law. The Commission's work is driven by research. Local experts in many fields of practice may be engaged. Libraries across the country are richer for having publications by the Commission as part of their in-house materials. Law students have access to these papers through the library system and online, encouraging the use and maintenance of Saskatchewan's legal knowledge base.

In addition to legislative reforms that might be suggested by the Minister or by legal groups, the Commission seeks the contribution and input of all citizens of the province. The Commission follows current legal issues and encourages calls from the public.

## Implementation of Recent Projects

The Commission has worked closely with the Ministry by reviewing several significant pieces of legislation in recent years, including *The Powers of Attorney Act*, *The Limitations Act*, *The Evidence Act*, and amendments to *The Administration of Estates Act*. The Commission also assisted the Ministry with the finalization of *The Trustee Act, 2009* that is based on its 2002 report, *Proposals for Reform of the Trustee Act* and its 1987 report, *Proposals Relating to the Rules Against Perpetuities and Accumulations*. The new Act came into force on January 1, 2010.

Most recently, amendments to *The Land Titles Act, 2000*, that came into force on March 5, 2012 implement recommendations made in the *Final Report on Private Title Insurance* issued jointly by the Commission and the Manitoba Law Reform Commission.

Specific provisions respecting reverse mortgages were included in *The Mortgage Brokerages and Mortgage Administrators Regulations* that came into force on October 1, 2010, based on the recommendations in the Commission's 2006 *Report on Reverse Mortgages*. This close collaboration continues respecting the reform of residential foreclosure law, as the Commission is currently reviewing *The Land Contracts (Actions) Act* at the Minister's request.

In 2009, the Commission issued a consultation paper on administrative penalties. The paper included a discussion of the use of administrative penalties in Saskatchewan, the issues of process and fairness they raise, and suggested ways in which fairness might be ensured. *The Forest Resources Management Amendment Act, 2010* and *The Environmental Management and Protection Act, 2010* both incorporated the tentative recommendations made by the Commission. *The Management and Reduction of Greenhouse Gases Act* and *The Payday Loans Act* also followed the approach outlined in the paper.

## Citation of Commission Reports by the Courts

Reports issued by the Commission continue to influence courts across the country in the determination of common law and statutory interpretation. A mark of success for the Commission is the number of times its reports and other publications have been referred to in judicial decisions of Saskatchewan courts and elsewhere in Canada and the Commonwealth. The Commission's work has been referred to 13 times in the past decade in courts across Canada, including three Supreme Court of Canada decisions, the most recent of which is the 2013 decision *Quebec (Attorney General) v A*.



# Research Program 2012-13

## Completed Projects

**Corporate Fiduciary Services:** A final report was issued in October 2012. At present, only trust companies are permitted to act as corporate trustees, executors, and administrators in Canada. In other jurisdictions, including the United States, Britain, and other Commonwealth countries, trust and fiduciary services are more widely available and more varied in content. A consultation paper was issued on this topic in 2007, asking “Should corporate trustees and fiduciaries, other than trust companies, be permitted?”. Following consultation, the Commission concluded that the current legislation and regulation surrounding corporate fiduciaries serves the purpose of protecting users of fiduciary services from risk and losses. If corporate trustees and fiduciaries other than trust companies are permitted, these protections may be weakened or lost. Weakening protection is unnecessary given no demonstrated need for reform of the law. Individuals in Saskatchewan should find that they have access to fiduciary services when needed. The Commission recommended no changes to Saskatchewan’s corporate fiduciary services legislation and regulation at present.

**Fraudulent Conveyances and Preferences:** The Commission and the ULCC jointly released the *Uniform Reviewable Transactions Act* in the fall of 2012. The Act is the result of several years of comprehensive research and drafting. The proposed Act replaces statutory and common law which was commonly referred to as the law of fraudulent conveyances and preferences. The Act focuses on protecting unsecured creditors from the actions of those who might thwart the effectiveness of enforcement measures. A comprehensive set of rules is provided to overcome uncertainty produced by more than 100 years of incremental legislation and judicial decisions. The premise of the rules is that actual interference with creditors’ rights of recovery is wrong, except to the extent that countervailing considerations mandate the protection of other legitimate interests.

## Ongoing Work of the Commission

**Civil Rights in Saskatchewan Long-term Care Facilities:** A consultation paper was distributed in August 2010. Minimal response was received, and the paper was “re-released” at the beginning of 2012. The response to the “re-release” was improved and included meetings with stakeholders. The paper focuses on violations of the rights of residents in long-term care, particularly when they do not involve physical abuse, and when they may not be effectively addressed by existing protocols designed to deal with more blatant forms of abuse. Responses to the paper highlighted that long-term care staff, residents, and resident families and supporters may be unfamiliar with rights in long-term care, including

how to assert these rights and seek remedy for their breach. A final report has been drafted and its release is expected in May 2013.

**Access to Justice - Needy Person Certificates and Waiver of Fees:** This project was undertaken at the request of Pro Bono Law Saskatchewan and Community Legal Assistance Services for Saskatoon Inner City (CLASSIC). A consultation paper was released and distributed in January 2012. As the costs of litigation and other legal services rise, concern about financial barriers to access to justice is increasing. The paper describes Needy Person Certificates and other fee waiver policies in Saskatchewan courts and tribunals. Problems in the present system are identified and discussed. Responses to the paper generally affirm that Needy Person Certificates and fee waivers in Saskatchewan need to be updated and expanded. The final report has been drafted and its release is expected in May 2013.

**Crown Immunity:** A consultation paper was released and distributed in October 2012. The presumption of Crown immunity has been criticized by courts, commentators, and law reform agencies, resulting in the reversal of the presumption in some provinces. The paper discusses how the courts in Canada have interpreted and applied the presumption, reviews the criticisms of the presumption, and considers how reversing the presumption would affect the law in Saskatchewan. Consultation closed on March 31, 2013. Consultation responses will be analyzed and further research will be undertaken, with a final report expected in the next fiscal year.

**Mortgages & Foreclosures:** The Commission received a referral from the Minister to review and recommend changes to Saskatchewan’s laws related to residential foreclosure and, in particular, the provisions of *The Land Contracts (Actions) Act*. A consultation paper on reform of the Act was released and distributed in March 2013. The paper considers the content and history of the Act, reviews the mortgage remedies available in other Canadian common law provinces, reviews the recommendations respecting mortgage remedies made by other Canadian law reform agencies, presents the need for reform of the Act, and offers possible approaches to reform the Act. Consultation is open until October 31, 2013. Focus groups, interviews, and surveys are expected to increase the breadth and depth of consultation. If no further consultation or research is necessary following the initial consultation period, the Commission will prepare a final report. On completion of *The Land Contracts (Actions) Act* project, the Commission expects to complete a study, to be titled *Mortgage Law in Saskatchewan: From Charge to Remedies*, with the stated objective to create a comprehensive statement of mortgage law in Saskatchewan.



**Commercial Tenancies:** This is a joint project with the ULCC. The Commission presented a project proposal at the ULCC's August 2011 meeting, which was accepted. A working group chaired by the Commission's Director of Research, with representation from several provinces, met by conference call seven times this fiscal year. The working group's task is to modernize and harmonize commercial tenancies law in Canada with a view to creating a comprehensive framework of statute law that will make it easier to do business in Canada, resulting in direct benefits to Canadians and the economy as a whole. A detailed progress report was presented at the August 2012 ULCC meeting. Several research memos were prepared to guide the group's discussion and decision-making. For each of these memos, the Commission staff researched the law and commentary across Canada and presented the research results in a concise, digestible manner. The working group's decisions were based on the information and recommendations found in the memos. The project is a multi-year undertaking involving extensive consultation with the working group. The final result is expected to be a *Uniform Commercial Tenancies Act*.

Electronic copies of all Commission publications are available on the Commission's website, at [www.lawreformcommission.sk.ca](http://www.lawreformcommission.sk.ca).

## Management's Responsibility for the Financial Statements

Management is responsible for the integrity of the financial information reported by the Commission. Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information in accordance with generally accepted Canadian accounting principles. These recommendations are consistently applied, with any exceptions specifically described in the financial statements.

The accounting systems used by the Commission include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;
- the Commission's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information; and
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, the members of the Commission discuss audit and reporting matters with representatives of management regularly. The members of the Commission have also reviewed the financial statements with representatives of management.

The Provincial Auditor of Saskatchewan has audited the Commission's statement of financial position as of April 1, 2011 and March 31, 2012 and 2013, and the related statements of operations and changes in net assets and cash flows for the years then ended March 31, 2012 and 2013.

The Provincial Auditor's responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's Report outlines the scope of the audit and the Provincial Auditor's opinion.

Donald H. Layh, Q.C.  
Chair

## Financial Statements

The financial statements on the following pages provide an account of the financial activities of the Commission for the fiscal year ended March 31, 2013.

**LAW REFORM COMMISSION OF SASKATCHEWAN**

**FINANCIAL STATEMENTS**

**For the Year Ended March 31, 2013**



PROVINCIAL AUDITOR  
of Saskatchewan

## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Law Reform Commission of Saskatchewan, which comprise the statement of financial position as at April 1, 2011, and March 31, 2012 and 2013, and the statements of operations, changes in net financial assets, and cash flows for the years ended March 31, 2012 and 2013, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Law Reform Commission of Saskatchewan as at April 1, 2011, and March 31, 2012 and 2013, and the results of its operations, changes in its net financial assets, and its cash flows for the years ended March 31, 2012 and 2013 in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan  
July 24, 2013

Bonnie Lysyk, MBA, CA  
Provincial Auditor

## Statement 1

**LAW REFORM COMMISSION OF SASKATCHEWAN**  
**STATEMENT OF FINANCIAL POSITION**  
**As at March 31**

	<u>2013</u>	<u>2012</u>	<u>April 1 2011</u>
<b>Financial Assets</b>			
Cash	\$ 55,648	\$ 68,634	\$ 44,107
Short-term investments (Note 4)	101,274	101,274	100,000
Accounts receivable	<u>950</u>	<u>147</u>	<u>50</u>
Total Financial Assets	<u>157,872</u>	<u>170,055</u>	<u>144,157</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	<u>4,316</u>	<u>13,766</u>	<u>1,815</u>
<b>Net Financial Assets</b>	153,556	156,289	142,342
<b>Non-financial Assets</b>			
Prepaid expenses	<u>2,384</u>	<u>2,062</u>	<u>438</u>
<b>Accumulated surplus</b>	<u>\$ 155,940</u>	<u>\$ 158,351</u>	<u>\$ 142,780</u>
Commitments (Note 7)			

(See accompanying notes to the financial statements)

## Statement 2

**LAW REFORM COMMISSION OF SASKATCHEWAN**  
**STATEMENT OF OPERATIONS**  
**For the Year Ended March 31**

	Budget (Note 8)	2013	2012 (Note 10)
<b>Revenue</b>			
Ministry of Justice - grant	\$ 60,000	\$ 60,000	\$ 60,000
Law Foundation - grant (Note 6)	60,000	60,000	46,334
Interest and miscellaneous	<u>500</u>	<u>988</u>	<u>1,905</u>
<b>Total revenue</b>	<u>120,500</u>	<u>120,988</u>	<u>108,239</u>
<b>Expenses</b>			
Salaries and employee benefits	94,650	59,416	-
Worker's compensation benefit premium	-	163	34
Contract labour	-	39,175	74,396
Conference and travel	13,000	7,700	6,415
Commissioner's honoraria	4,000	310	1,798
Office supplies and services	6,200	1,073	1,363
Online Research	-	1,196	198
Marketing	1,500	1,189	-
Professional fees	-	1,477	1,624
Office rent	5,000	4,083	4,067
Miscellaneous	4,100	4,311	2,773
Website design and admin	<u>14,000</u>	<u>3,306</u>	<u>-</u>
<b>Total expenses</b>	<u>142,450</u>	<u>123,399</u>	<u>92,668</u>
<b>Surplus (deficit) for the year</b>	<u>\$ (21,950)</u>	(2,411)	15,571
Accumulated surplus, beginning of year		<u>158,351</u>	<u>142,780</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 155,940</u>	<u>\$ 158,351</u>

(See accompanying notes to the financial statements)



Statement 3

**LAW REFORM COMMISSION OF SASKATCHEWAN  
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
For the Year Ended March 31**

	<u>2013</u>	<u>2012</u>
<b>Surplus (deficit) for the year</b>	\$ (2,411)	\$ 15,571
Addition to prepaid expense	<u>(322)</u>	<u>(1,624)</u>
Increase(decrease) in net financial assets	(2,733)	13,947
Net financial assets, beginning of year	<u>156,289</u>	<u>142,342</u>
<b>Net financial assets, end of year</b>	<u>\$ 153,556</u>	<u>\$ 156,289</u>

(See accompanying notes to the financial statements)

## Statement 4

**LAW REFORM COMMISSION OF SASKATCHEWAN**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended March 31**

	<u>2013</u>	<u>2012</u>
<b>Cash flow from (used in) operating activities</b>		
Ministry of Justice - grant	\$ 60,000	\$ 60,000
Law Foundation - grant	46,334	60,000
Interest and miscellaneous revenue	186	1,797
Cash paid to suppliers and employees	<u>(119,506)</u>	<u>(95,996)</u>
Cash (used in) provided by operating activities	<u>(12,986)</u>	<u>25,801</u>
<b>Cash flows from (used in) investing activities</b>		
Purchase of short-term investments	(101,274)	(101,274)
Proceeds from disposal and redemption of investments	<u>101,274</u>	<u>100,000</u>
Cash provided by (used in) investing activities	<u>-</u>	<u>(1,274)</u>
(Decrease) increase in cash	(12,986)	24,527
Cash, beginning of year	<u>68,634</u>	<u>44,107</u>
Cash, end of year	<u>\$ 55,648</u>	<u>\$ 68,634</u>

(See accompanying notes to the financial statements)

**LAW REFORM COMMISSION OF SASKATCHEWAN  
NOTES TO THE FINANCIAL STATEMENTS  
March 31, 2013**

**1. Incorporation**

The *Law Reform Commission Act* was amended effective November 6, 1987. At that date the Commission became a body corporate and continued the operation of the Law Reform Commission of Saskatchewan.

The purpose of the Commission is to review all the laws of the Province with a view to its systematic development and reform and generally the simplification and modernization of the law.

**2. Significant Accounting Policies**

Pursuant to standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, the Commission is classified as an other government organization. These financial statements have been prepared in accordance with Canadian public sector accounting (PSA) standards. As these are the Commission's first financial statements prepared in accordance with PSA standards, Section PS 2125, *First-time Adoption by Government Organizations*, has been applied. The Commission has also chosen to early adopt Section PS 3450, *Financial Instruments*, however there has been no impact with the adoption of this section as they have no long term financial instruments.

The Commission's financial statements were previously prepared in accordance with Canadian generally accepted accounting principles (Canadian GAAP), as set forth in Part V of the CICA Handbook. The impact of the transition from Canadian GAAP to public sector accounting standards is described in Note 10.

**a) Basis of accounting**

The financial statements are prepared on the accrual basis of accounting.

**b) Revenue Recognition**

The Commission recognizes contributions as revenue when received and receivable.

The Law Foundation grant is intended to cover half of the Commission's current year expenses. Any unused amount of the grant is returnable to the Law Foundation at year end.

**c) Financial Instruments**

***Classification***

Cash and short-term investments are classified in the fair value category. Accounts receivable, and accounts payable and accrued liabilities are carried at amortized cost. Due to their short-term nature, the amortized cost of these instruments approximate their fair value. Carrying amounts are in each instance disclosed in the Statement of Financial Position.

***Significant terms and conditions***

There are no significant terms and conditions related to the financial instruments that may affect the amount, timing and certainty of future cash flows.

***Interest rate risk***

The Commission is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates.

The Commission does not have any long-term investments that may be affected by market pressures.

The Commission's receivables and payables are non-interest bearing.

***Credit risk***

The Commission is exposed to credit risk from potential non-payment of accounts receivable or investment income and principal.

The Commission has accounts receivable. Most of the Commission's receivables are from provincial agencies, federal government and commission members; therefore credit risk is minimal.

All investments are purchased from and held with major banks; therefore, credit risk for investments and related accrued interest receivables is minimal.

**d) Use of estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date the financial statements and the reported amounts of revenue and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

**e) Remeasurement gains and losses**

The Commission has no transactions that would result in remeasurement gains and losses therefore no statement of remeasurement gains and losses has been prepared.

### 3. Designated Assets

The Commission has designated assets to finance future research projects and initiatives at the discretion of the Commission. These designated assets are not available for other purposes without approval of the Commission.

<u>Research Projects and Initiatives</u>	<u>2013</u>	<u>2012</u>
Beginning of Year	100,744	-
Designations	-	101,289
Expenditures	(11,044)	(545)
End of Year	<u>89,700</u>	<u>100,744</u>

### 4. Short-term investments

Short-term investments consist of a guaranteed income certificate with an effective interest rate of 1.0% (2012 - 1.05%).

### 5. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Commission by virtue of common control by the Government of Saskatchewan and non-Crown agencies subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as related parties).

Routine operating transactions with related parties are recorded at agreed upon exchange amounts and settled under normal trade terms.

Other related party transactions at year-end are as follows:

	<u>2013</u>	<u>2012</u>
Revenues		
Ministry of Justice	60,000	60,000
Queens Printer	-	93
Expenses		
Saskatchewan Workers' Compensation Board	163	34
Queens Printer	929	352
University of Saskatchewan	4,611	4,067

In addition, the Commission pays Provincial Sales Tax to the Ministry of Finance on all its taxable purchases. Taxes paid are recorded as a part of the cost of those purchases.

**6. Law Foundation Grant**

The Commission received a grant in 2012-13 from the Law Foundation of Saskatchewan for \$60,000 (2011-12 - \$46,334).

**7. Commitments**

The Commission has entered into an agreement to lease office space from the University of Saskatchewan. The lease is for a period of 1 year, expiring on February 28, 2014. The future minimum lease payments, in each fiscal year, are as follows:

2013-14	\$4,583
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**8. Budget**

The Commission approved the 2012-13 budget on March 9, 2012.

**9. Contingencies**

The Commission had a service agreement with an individual to work in the Commission's offices during normal office hours. The Commission strongly believes that the contract worker is not its employee. In the event that the contractor is deemed to be an employee the Commission would be liable for employer's portion of CPP and EI contributions totaling approximately \$10,606 and would record this expense at that time.

**10. Transition to Canadian Public Sector Accounting Standards**

As stated in Note 2, these are the Commission's first financial statements prepared in accordance with Canadian public sector accounting standards. The accounting policies set out in Note 2 have been applied consistently in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements and the opening statement of financial position as at April 1, 2011 (the Commission's date of transition to public sector accounting standards). There has been no impact on financial figures that were reported previously.





