



2024

YEAR IN REVIEW: WHO WE ARE | WHAT WE DO | FUNDING | SUPPORTERS

2023-2024

ANNUAL
REPORT

ALBERTA LAW REFORM INSTITUTE


TABLE OF CONTENTS

OUR VISION

JUST AND EFFECTIVE LAWS

OUR MISSION

IMPROVE THE LAWS OF ALBERTA



4	From the Chair
5	From the Executive Director
6	Who We are
8	What We Do
14	Media & Citations
16	Funding
29	Thank You



FROM THE CHAIR,

DONALD R. CRANSTON, KC

I would like to express my gratitude to the counsel and staff at the Alberta Law Reform Institute (ALRI). I am continually impressed by the commitment they show, day-in and day-out, to improving the laws of Alberta. The work of law reform can be a challenging process, but the team at ALRI continually demonstrate their insightfulness and mettle as seen in their highly regarded work. I would also like to take this opportunity to thank Executive Director, Sandra Petersson. Her dedication to the pursuit of an innovative Institute that meets Alberta's legal needs now and in the future is truly admirable.

Much appreciation is also due to my colleagues on the ALRI Board. Nearly every month, Board members read and scrutinize complex legal and planning reports to prepare for our discussions. Taking on this task on top of their regular work is no easy feat and I am grateful for the dedication that the Board members bring to the table. Notably, Professor Jennifer Koshan, who I am sad to report will be leaving the ALRI Board to chair another important organization. Dr. Howard Kislowicz joins in her place as the University of Calgary representative. ALRI is thankful to have another esteemed expert join the Board.

ALRI is privileged to have an outstanding team, but the work of law reform does not happen in a vacuum. It requires the support of many, none more so than the Alberta Law Foundation (ALF) who have supported our work for many years. The Alberta Law Foundation funds numerous organizations that support the community, and ALRI counts itself lucky to be among them.

Gratitude also goes out to Alberta Justice, who is always willing to come to the table with ALRI to discuss how our recommendations can be put into legislation.





**FROM THE EXECUTIVE DIRECTOR,
SANDRA PETERSSON, KC**

I'm happy to share that ALRI achieved several milestones this year.

ALRI completed work on its project recommending that Alberta law expressly allow for wills to be created entirely in electronic format. ALRI published two reports for this project – one that covered the creation of electronic wills and another that covered their alteration and revocation. Allowing for electronic wills reflects the fact that many key documents are now made and stored online. ALRI has briefed officials from Alberta Justice on our recommendations and stands ready to assist if government opts to adopt electronic wills.

Furthering our work to keep Alberta laws up-to-date, ALRI also completed its project on access to digital assets. When a person loses capacity to manage their own affairs or dies, someone needs to step into their shoes to look after their assets. That person is known as a fiduciary and may be a personal representative, a trustee or adult guardian. Where the fiduciary needs to access digital assets they may encounter difficulties based on the terms of the service agreement agreed to by the person who has lost capacity or died. We're recommending that Alberta adopt new legislation that will help fiduciaries deal with local and international online service companies that store and manage peoples' digital assets.

We have also started a new high impact law project focused on the *Residential Tenancies Act*. The Act affects more than 465,000 households living in rental properties and the individual landlords and companies that own or manage those properties. The Act sets the framework for how landlords and tenants work with each other in Alberta, but has not been updated for some time. ALRI is in the preliminary stages of research and has conducted several stakeholder engagements this year.

Thank you to the Alberta Law Foundation, Alberta Justice, the University of Alberta and the University of Calgary for supporting our work to improve the laws of Alberta. I would also like to extend thanks to the legal professionals who volunteer their time to our advisory committees and to the individuals who participate in our consultations. We recognize the value of your voices and strive to make sure they are reflected in our work.

Finally, I must express gratitude to the Board, counsel and staff at the Institute. It is an honour to work with such dedicated and talented people. ALRI is able to thrive and produce renowned work because of their dedication to our vision for just and effective laws.





WHO WE ARE

THE INSTITUTE

OUR BOARD

OUR STAFF

ALUMNI

BOARD MEMBERS

Donald R Cranston, KC, *Chair*
Alice Barnsley-Kamal
Dean Barbara Billingsley
Carly Fox
Hon. Justice Dave Hancock
Professor Cameron Hutchison
Professor Howard Kislowicz
Calvin Johnson, KC
Professor Jennifer Koshan
Deirdre M.I. McKenna, KC
Donna L. Molzan, KC
Karen Platten, KC
Kathleen Ryan, KC
June Ross KC
Matthew Woodley

STAFF

Sandra Petersson KC
Executive Director
Laura Buckingham
Carol Burgess
Barry Chung
Ilze Hobin
Jenny Koziar
Katherine MacKenzie
Matthew Mazurek
Stella Varvis

56

Number of years the Alberta Law Reform Institute has been operating.

121

Final reports published.

65%

Rate of implementation of recommendations into legislation.

THE INSTITUTE

The Alberta Law Reform Institute [ALRI] was established in November 1967 by the Attorney General of Alberta, the Governors of the University of Alberta and the Law Society of Alberta. In 2019, ALRI incorporated as a non-profit. ALRI is funded by the Alberta Law Foundation, Alberta Justice and the University of Alberta. Funding in kind is provided by the University of Alberta and University of Calgary.

The ALRI Board is composed of up to sixteen directors. Six being nominees of the founding parties are chosen as follows:

- one elected Bencher nominee from the Law Society of Alberta
- two nominees from Alberta Justice
- the Provost of the University of Alberta or an academic staff member nominated by the Provost
- one nominee from the Faculty of Law at the University of Alberta
- one nominee from the Faculty of Law at the University of Calgary

OUR BOARD

The ALRI Board saw minimal changes this year. Professor Jennifer Koshan left the ALRI Board to take a position as the new research chair for domestic violence at the University of Calgary. ALRI wishes her the best and will miss the insightful perspectives she brought to every meeting. ALRI looks forward to seeing her continue her crucial and outstanding academic work and research.

Professor Howard Kislowicz joined the Board as the University of Calgary nominee and has already contributed to several Board meetings where his enthusiasm and expertise were very much appreciated. ALRI looks forward to working with Professor Kislowicz.

OUR STAFF

ALRI's complement of support staff and counsel remained mostly unchanged throughout the year with the Institute welcoming Brennan Shepherd and Aydin McClelland to its team as summer student researchers. They provided research and writing support for ALRI's projects and reports on electronic wills, access to digital assets and the *Residential*

Tenancies Act. Both Aydin and Brennan provided such outstanding work that ALRI continued to employ them part-time through the academic year.

ALRI counsel Stella Varvis was honoured with the Stronger Together Award from Women in Law Leadership. She was recognized for her work on disability rights where she focuses on evaluating the effectiveness of accessibility legislation in helping people with disabilities fully participate in economic, social and political life.



ALUMNI

Former Board member, Professor Roderick Wood was honoured with the Canadian Bar Association Distinguished Service Award in February 2024. For decades, Professor Wood's scholarly work has guided the practice and innovation of commercial law and has positioned him as a highly sought after international expert. ALRI was lucky to have him on its Board and congratulates him on this significant accolade.

Former ALRI articling student Chris Ryan was featured by CBC News as he advocated for provincial accessibility legislation in Alberta, one of the last Canadian provinces without comprehensive accessibility legislation. Chris argued that filling this gap in the law in Alberta would enable Albertans with disabilities to gain and maintain meaningful employment as fully contributing members of society while being treated with dignity.

WHAT WE DO

NOTABLE ACTIVITIES

*FEDERATION OF LAW REFORM AGENCIES
OF CANADA SYMPOSIUM*

SOCIAL RETURN ON INVESTMENT

LAW REFORM PROJECT ACTIVITY

ELECTRONIC WILLS

DOWER ACT

ACCESS TO DIGITAL ASSETS

RESIDENTIAL TENANCIES ACT

NOTABLE ACTIVITIES

FEDERATION OF LAW REFORM AGENCIES OF CANADA SYMPOSIUM

In June 2023, ALRI staff and counsel met with delegates from law reform agencies across Canada for the biennial symposium held by the Federation of Law Reform Agencies of Canada. Representatives from British Columbia, Manitoba, Saskatchewan, Ontario, Quebec and Nova Scotia met to share knowledge and discuss the future of law reform in their respective jurisdictions. Topics included technology and artificial intelligence, Indigenous law, intimate partner violence and engagement from racialized communities in law reform.

SOCIAL RETURN ON INVESTMENT

The next phase of law reform from ALRI is focusing on user-centered high impact projects that address legal problems people in Alberta face every day. In doing so, ALRI staff and counsel began integrating principles of social return on investment into its work. Expanding ALRI's knowledge base in this area will help the Institute select, plan and conduct law reform projects that will have observable and meaningful results for people dealing with common legal problems.



LAW REFORM PROJECTS

ELECTRONIC WILLS PUBLISHED

People in Alberta are managing more of their lives online. The introduction of digital estate planning tools has made making a will more convenient and cost-effective. However, Alberta law may not be keeping pace with



these changes. The *Wills and Succession Act* does not contain express language dealing with electronic wills creating uncertainty for individuals with wills that exist purely in electronic form.

This year, ALRI Counsel Katherine MacKenzie and Matthew Mazurek facilitated the last two meetings of ALRI's project advisory committee where policy options on altering and revoking electronic wills were discussed.

In October 2023, ALRI published *Creation of Electronic Wills, Final Report 119* and followed up in February 2024 with *Alteration and Revocation of Electronic Wills, Final Report 120*. ALRI also published consultation and recommendations summaries as companion documents.

Ms. MacKenzie spoke about *Creation of Electronic Wills* with CTV Alberta Primetime in October 2023 and was interviewed by Law360 for their article on the report.

53%

of adults in Alberta don't have a will.

78% of ALRI survey respondents indicated an electronic process would make it easier to make a will.

PRESENTATIONS

CONSULTATIONS

ENGAGEMENTS

MAY
Electronic Wills
Society of Trust and Estate
Practitioners, Calgary



MAY
New *Trustee Act*
Legal Education
Society of Alberta

JUNE
Dower Act
Canadian Bar Association
North Branch
Elder Law



NOVEMBER
Residential Tenancies Act
Calgary Residential Rental
Association

NOVEMBER
Residential Tenancies Act
Edmonton stakeholder
engagement



NOVEMBER
Residential Tenancies Act
Calgary stakeholder
engagement

DECEMBER
Residential Tenancies Act
Aboriginal Standing
Committee on Housing and
Homelessness presentation



FEBRUARY
Residential Tenancies Act
Online landlord
engagement event

7,418

PROJECT PAGE
VISITS

1,300+

X FOLLOWERS

400

LINKEDIN
CONNECTIONS

1,828

YOUTUBE VIEWS

42

JUDICIAL
CITATIONS



On March 4, 2024, Executive Director Sandra Petersson, Board Chair, Donald Cranston and ALRI Counsel, Katherine MacKenzie and Matthew Mazurek met with Alberta Justice Minister, the Honourable Mickey Amery and Deputy Minister, Malcolm Lavoie to brief the Ministry on its reports, *Creation of Electronic Wills* and *Alteration and Revocation of Electronic Wills*. ALRI had engaging discussions at the meeting and answered pertinent questions about its recommendations.



DOWERACT POST-PUBLICATION

The *Dower Act* in Alberta is a law that protects the property interests of a married person if the couple's home is legally owned solely by just one spouse. It applies to the "homestead", which means the house and some attached land. The *Dower Act* has not been updated significantly since 1948 and may not be serving Albertans best interests.

ALRI published *Dower Act*, Final Report 118 in September 2022, however, ALRI postponed a briefing with Alberta Justice until after the 2023 provincial election. On March 4, 2024, Executive Director Sandra Petersson and Counsel Laura Buckingham briefed Justice Minister Mickey Amery and Deputy Minister Malcolm Lavoie on the report and recommendations.

Ms. Petersson and Ms. Buckingham also met with officials from Service Alberta on March 19 to discuss ALRI's report and recommendations for the Alberta *Dower Act*.

71%

of Canadians use social networking to communicate and share content.*

12

The average number of loyalty programs Canadians participate in.*

\$10,000

The stored electronic value of digital assets the average Canadian potentially owns.**

ACCESS TO DIGITAL ASSETS PUBLISHED

Individuals are increasingly storing their important personal information and other digital property online within the servers of large American companies such as Google, Facebook and Apple. These “digital assets” can be anything from precious family photos and records to sensitive financial and legal information. What Canadians do not realize is that outdated laws govern who can access those assets after the owner dies or loses capacity. Even with all the necessary documents proving a person’s legal right to another’s digital assets, accessing the information is still a long and expensive court process.

ALRI completed *Access to Digital Assets, Final Report 121* in March 2024. The report recommends implementing the Uniform Law Conference of Canada’s *Uniform Access to Digital Assets by Fiduciaries Act* with minor changes. ALRI will be planning post publication activities in the near future, including briefings with the appropriate ministries of government.

* Statistics Canada, Dwelling condition by tenure, Canada, provinces and territories, online: <www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=9810023301>

**Laura Savage & Susan McDonald, “Experiences of serious problems or disputes in the Canadian provinces, 2021” *Juristat* (18 January 2022), online: Statistics Canada <www150.statcan.gc.ca/n1/pub/85-002-x/2022001/article/00001-eng.htm>.

RESIDENTIAL TENANCIES ACT CONSULTATION

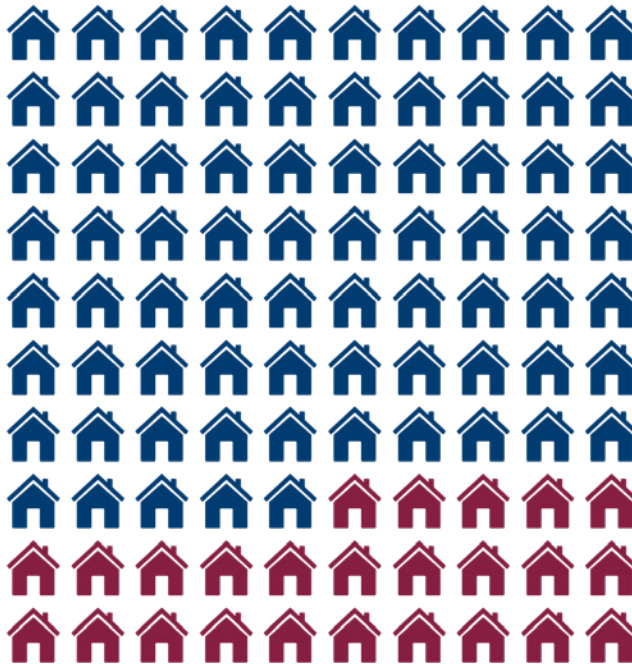
The Alberta *Residential Tenancies Act* establishes the rights, rules, and obligations that govern the relationship between a landlord and tenant. While individuals in Alberta routinely find themselves dealing with the law, the Act is in need of reform.

ALRI held three stakeholder engagement sessions in November 2023. The first being an online session through Zoom and two in-person sessions in Calgary and Edmonton. The sessions were attended by representatives from Alberta based groups working in tenant advocacy, community legal support, landlord and real estate management, vulnerable persons support, affordable housing, as well as representatives from the Alberta government.

Conversation focused on the *Residential Tenancies Act* in general but ALRI also conducted small breakout discussions focused on human rights, housing standards, fixed-term tenancies and evictions. Discussions were exploratory in nature with an overarching goal of identifying what data currently exists and what data could be useful in identifying specific areas of the law in need of reform.

The findings from the session will help inform the scope of a potential project on the *Residential Tenancies Act*. ALRI will present its review and proposal to the Board for approval as an official law reform project in April 2024.

OWN OR RENT IN ALBERTA??



 = Owners

Each  = 20,984 households

 = Renters

According to the 2021 census, 465,220 households are tenant occupied.*

The Canadian Legal Problems Survey found that 9% of respondents had issues about “your house, rent, mortgage, or rent owed to you.”**

Law reform to the *Residential Tenancies Act* has the potential to impact tens of thousands of households.

**ALRI'S WORK GARNERED OVER FORTY CITATIONS
AND MEDIA ENGAGEMENTS THROUGHOUT THE
YEAR**

APRIL

New Alberta Law Abolishes Squatter's Rights in the Province
DBHLaw Blog

Hoellwarth v. Vital Statistics
Alberta
Alberta Court of King's Bench

Maruzs Estate (Re)
Alberta Court of King's Bench

Powell Estate (Re)
Alberta Court of King's Bench

MAY

Leischner v. Schafer
Alberta Court of King's Bench

JUNE

Obtaining a Court Order to Question a Corporation's Third-Party Service Providers is a High Bar to Meet under the Alberta Rules of Court
Stikeman Elliot Blog

Indigenous legal forms and governance structures in renewable energy: Assessing the role and perspectives of First Nations economic development corporations
Energy Research & Social Science Journal
Katarina Savic a, Christina E. Hoicka

Lay v. Lay
Alberta Court of King's Bench

SEPTEMBER

A Blog with Two Titles:
(1) The Current Status of Monitoring, Measurement and Verification Requirements for Carbon Capture and Storage Projects in Alberta, and (2) When Does a Ministerial Order Have to be Published?
ABLawg.ca

Private Wealth and Private Client
Lexology
Margaret O'Sullivan, Mary J Peikes

Electronic Wills Are Coming to Saskatchewan
Hull & Hull LLP Blog

Builder's Capital 2019 Ltd. B.
Carnahan
Alberta Court of Appeal

AUGUST

Bowes v. McCubbin
Alberta Court of King's Bench

JULY

Cohabitant protection on relationship breakdown in Ireland: A lesson in illusory justice?
School of Law, University of Limerick, Ireland
Kathryn O'Sullivan

Grimes v. Governors of the University of Lethbridge
Alberta Court of King's Bench

HEAL Global Holdings Corp (Re)
Alberta Court of King's Bench

continued on next page

**MEDIA &
CITATIONS**

OCTOBER

Perspectives on the dispute resolution landscape in Canada
The Chartered Institute of Arbitrators Blog

The Digital Era and COVID-19
Estateably Blog

Cryptocurrency and Access to Digital Assets by Fiduciaries
Estateably Blog

Electronic Wills Endorsed by Law Reform Institute
Hull & Hull LLP Blog

Starratt v. Chandran
Alberta Court of King's Bench

Electronic Wills Interview
CTV Alberta Primetime

NOVEMBER

The Future of Electronic Wills: Where There's A Will, There's A Way
RMRF Blog
Sabrina Kuckertz

Electronic Wills, Electronic Signatures, and Emojis
ABLawg.ca

Alberta Law Reform Institute calls for electronic wills to be expressly permitted
University of Alberta Faculty of Law News
Benjamin Lof

Proposals on electronic wills aim to bring certainty, accessibility to the law:
Alberta institute
Law360
Ian Burns

JANUARY

Will's disappearance sparks estate litigation
Laredo Law Blog

The Legal Status of a Gross Overriding Royalty Carved out of a Crown Lease
ABLawg

R. v. McKinney
Alberta Court of Justice

DECEMBER

Saskatchewan Police Contact Interview Policy, A Human Rights Review
Saskatchewan Human Rights Commission

New Approaches to Electronic Wills
Canadian Technology Law Association Newsletter

Understanding the Fatal Accidents
Sidhu Lawyer's Blog

Brookfield Residential (Alberta) LP (Carma Developers LP) v. Imperial Oil Ltd.
Alberta Court of King's Bench

Alberta Drywall & Stucco Supply (Calgary) Inc. v. Alberta Drywall & Stucco Supply Inc.
Alberta Court of King's Bench

FEBRUARY

Law of Property Act in Alberta
What You Need to Know About the Property Act
DLegal Blog

Anderson v. Novhaus. Inc
Alberta Court of King's Bench

Signalta Resources Ltd. v. Canadian Natural Resources Ltd.
Alberta Court of King's Bench

MARCH

What Kind of Signature Is Required?
Chartered Professionals in Human Resources of Alberta Spring Magazine

Top banking regulations & security compliance requirements 2024
OneSpan Blog

The Arbitration Review of the Americas 2024 Canada: rulings demonstrate judicial deference to arbitration
Global Arbitration Review

The work of law reform would not be possible without the ongoing financial support of our key funders. In 2023-2024, Institute funding was committed from the following sources:

Alberta Law Foundation

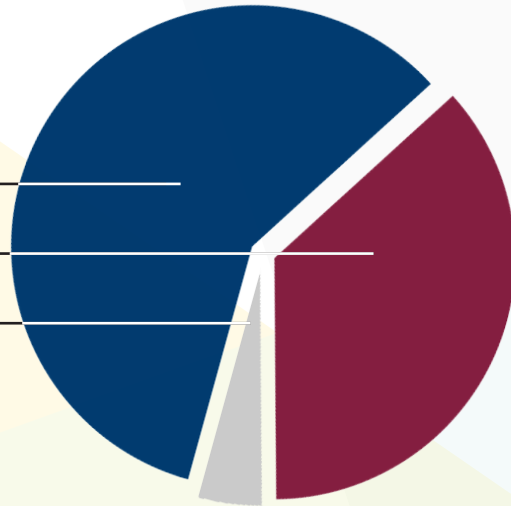
\$805,000

Alberta Justice

\$500,000

University of Alberta

\$60,000



Traditionally, the majority of ALRI's funding has come from the Alberta Law Foundation with another substantial portion coming from Alberta Justice.

Further information on our funding, additional revenue, expenses and assets is set out in the financial statements.



FUNDING

ALBERTA LAW REFORM INSTITUTE

Financial Statements

Year Ended March 31, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Law Reform Institute

Opinion

We have audited the financial statements of Alberta Law Reform Institute (the Institute), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

(continues)

Independent Auditor's Report to the Members of Alberta Law Reform Institute (*continued*)

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Edmonton, Alberta
June 24, 2024


Chartered Professional Accountants

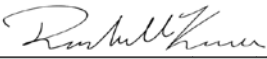
ALBERTA LAW REFORM INSTITUTE


Statement of Financial Position

March 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT		
Cash	\$ 774,058	\$ 458,157
Restricted cash (Note 4)	102,574	60,344
Prepaid expenses	-	4,252
	<u>876,632</u>	<u>522,753</u>
EQUIPMENT (Note 5)	5,707	7,807
INVESTMENTS (Note 6)	1,538,973	1,411,622
	<u>\$ 2,421,312</u>	<u>\$ 1,942,182</u>
 LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 604,252	\$ 326,866
Grant funding repayable	47,716	20,136
Deferred contributions (Note 4)	102,574	60,344
	<u>754,542</u>	<u>407,346</u>
 NET ASSETS		
Invested in equipment	5,707	7,807
Restricted reserve fund (Note 7)	1,604,572	1,465,111
Unrestricted	56,491	61,918
	<u>1,666,770</u>	<u>1,534,836</u>
	<u>\$ 2,421,312</u>	<u>\$ 1,942,182</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

ALBERTA LAW REFORM INSTITUTE
Statement of Revenues and Expenditures
Year Ended March 31, 2024

	2024	2023
REVENUE		
Grants <i>(Note 8)</i>	\$ 1,291,977	\$ 1,248,058
Investment income (loss) <i>(Note 9)</i>	141,111	19,153
Other income	-	245
	<u>1,433,088</u>	<u>1,267,456</u>
EXPENSES		
Amortization	2,100	2,912
Audit	14,438	14,900
Bank charges	103	331
Board expenses	2,636	677
Communication	1,480	1,415
Consultation	3,849	3,326
Equipment rental	2,839	2,839
Insurance	4,767	4,505
Investment management fees	10,634	10,135
Library	1,462	782
Meetings and seminars	1,992	1,466
Memberships, dues and subscriptions	14,793	13,273
Printing and copying	2,055	2,095
Professional development	5,747	6,519
Postage	-	435
Salaries and benefits	1,195,241	1,163,080
Supplies and materials	13,849	12,346
Telephone and fax	5,891	6,244
Travel (staff)	11,851	5,218
	<u>1,295,727</u>	<u>1,252,498</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 137,361</u>	<u>\$ 14,958</u>

ALBERTA LAW REFORM INSTITUTE

Statement of Changes in Net Assets

Year Ended March 31, 2024

	2023 Balance	Excess (deficiency) of revenue over expenses	Interfund transfers	Transfer to deferred contributions (Note 4)	2024 Balance
Invested in equipment	\$ 7,807	\$ (2,100)	\$ -	\$ -	\$ 5,707
Restricted reserve fund	1,465,111	135,905	3,556	-	1,604,572
Unrestricted	61,918	3,556	(3,556)	(5,427)	56,491
	\$ 1,534,836	\$ 137,361	\$ -	\$ (5,427)	\$ 1,666,770

ALBERTA LAW REFORM INSTITUTE

Statement of Cash Flows

Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 137,361	\$ 14,958
Items not affecting cash:		
Amortization of equipment	2,100	2,912
Unrealized loss on investments	(58,109)	46,510
	<u>81,352</u>	<u>64,380</u>
Changes in non-cash working capital:		
Accounts receivable	-	4,188
Prepaid expenses	4,252	(4,252)
Accounts payable and accrued liabilities	277,386	12,699
Grant funding repayable	27,580	(40,280)
Deferred contributions	36,803	45,805
	<u>346,021</u>	<u>18,160</u>
Cash flow from operating activities	<u>427,373</u>	<u>82,540</u>
INVESTING ACTIVITIES		
Purchase of investments	(121,203)	(66,483)
Proceeds on disposal of investments	51,961	13,486
	<u>(69,242)</u>	<u>(52,997)</u>
Cash flow used by investing activities	<u>(69,242)</u>	<u>(52,997)</u>
INCREASE IN CASH FLOW	358,131	29,543
Cash - beginning of year	<u>518,501</u>	<u>488,958</u>
CASH - END OF YEAR	\$ 876,632	\$ 518,501
CASH CONSISTS OF:		
Cash	\$ 774,058	\$ 458,157
Restricted cash	<u>102,574</u>	<u>60,344</u>
	<u>\$ 876,632</u>	<u>\$ 518,501</u>

ALBERTA LAW REFORM INSTITUTE

Notes to Financial Statements

Year Ended March 31, 2024

1. PURPOSE OF ORGANIZATION

The Alberta Law Reform Institute was established in 1968 by the Attorney General of Alberta, the Governors of the University of Alberta and the Law Society of Alberta.

The objectives of the Institute are:

- (a) the consideration of matters of law reform with a view to proposing to the appropriate authority the means by which laws of Alberta may be made more useful and effective; and
- (b) the preparation of proposals for law reform in Alberta, with respect to both the substantive law and the administration of justice.

As a not-for-profit organization, the Institute is not subject to taxation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Estimates made by management include:

- The assessment of the refundable portion of Alberta Law Foundation grant revenue and the deferred portion of grants from Alberta Justice and Solicitor General.
- The assessment of the useful lives of capital assets. This assessment has an impact on the amortization and net book value of the assets recorded in the financial statements.

Financial instruments

Initial measurement

The Institute initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involved parties whose sole relationship with the Institute is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Institute in the transaction.

Subsequent measurement

(continues)

ALBERTA LAW REFORM INSTITUTE

Notes to Financial Statements

Year Ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Institute subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenses in the period incurred.

Financial assets measured at amortized cost include cash, and restricted cash. Financial assets measured at fair value include pooled investment funds. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and grant funding repayable.

Impairment

For financial assets measured at cost, the Institute determines whether there are indications of possible impairment. When there are, and the Institute determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenses. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenses.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in excess of revenues over expenses in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in excess of revenues over expenses over the life of the instrument using the straight-line method.

Cash

Cash includes cash held with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash (see Note 4).

Equipment

Equipment is stated at cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Computer	30% declining balance method
Office furniture and equipment	20% declining balance method

Collections

The Institute maintains a library of research material and publications. Collections are expensed on acquisition.

Revenue recognition

The Institute follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

Notes to Financial Statements**Year Ended March 31, 2024**

3. FINANCIAL INSTRUMENTS

The Institute is exposed to various risks through its financial instruments. The following analysis provides information about the Institute's risk exposure and concentration as of March 31, 2024.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Institute is exposed to this risk mainly in respect of its receipt of funds from its grant providers and from obligations associated with its accounts payable and accrued liabilities. The Institute mitigates this risk through annual budgeting based on committed revenues and planned use or contributions to the restricted reserve fund.

Market risk

Market risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Institute is exposed to market risk from its investment in pooled investment funds. The pooled investment funds are recorded at market value at March 31, 2024. These investments are subject to volatility in the financial markets. Risk and volatility of investment returns are mitigated through diversification of investments.

Currency risk

Currency risk is the risk to the Institute's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Institute is exposed to foreign currency exchange risk on investments held in U.S. dollars. The Institute does not use derivative instruments to reduce its exposure to foreign currency risk.

ALBERTA LAW REFORM INSTITUTE

Notes to Financial Statements

Year Ended March 31, 2024

4. RESTRICTED CASH AND DEFERRED CONTRIBUTIONS

	<u>2024</u>	<u>2023</u>
Continuity of deferred contributions		
Opening balance	\$ 60,344	\$ 8,635
Expenses	(4,330)	(6,519)
Transfers from unrestricted fund for staff professional education	5,427	5,903
Deferral of Alberta Justice and Solicitor General revenue	29,637	52,325
Interest earned on Alberta Justice and Solicitor General funds	11,496	-
	<u>\$ 102,574</u>	<u>\$ 60,344</u>
Deferred contributions are comprised of:		
Funds restricted for staff professional education	\$ 9,116	\$ 8,019
Deferred Alberta Justice and Solicitor General revenue	93,458	52,325
	<u>\$ 102,574</u>	<u>\$ 60,344</u>

5. EQUIPMENT

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2024 Net book value</u>
Computer	\$ 169,919	\$ 166,153	\$ 3,766
Office furniture and equipment	43,113	41,172	1,941
	<u>\$ 213,032</u>	<u>\$ 207,325</u>	<u>\$ 5,707</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2023 Net book value</u>
Computer	\$ 169,919	\$ 164,539	\$ 5,380
Office furniture and equipment	43,113	40,686	2,427
	<u>\$ 213,032</u>	<u>\$ 205,225</u>	<u>\$ 7,807</u>

6. INVESTMENTS

	<u>2024</u>	<u>2023</u>
Pooled investment funds	<u>\$ 1,538,973</u>	<u>\$ 1,411,622</u>

All investments are held in the restricted reserve fund.

ALBERTA LAW REFORM INSTITUTE

Notes to Financial Statements

Year Ended March 31, 2024

7. NET ASSETS - RESTRICTED RESERVE FUND

The restricted reserve fund receives revenue from unrestricted surpluses and sources other than operating grants or project grants. The primary purpose of these funds is to provide for an orderly wind down and to meet contractual obligations to staff, including severances, should the need arise. The Board has the discretion to approve the use of restricted reserve funds surplus to wind down requirements to stabilize operations in the event of funding variations.

8. GRANTS

	2024	2023
Alberta Law Foundation - current year grant	\$ 805,000	\$ 751,500
Alberta Law Foundation - refundable portion of current grant	(47,716)	(20,136)
Alberta Justice and Solicitor General	500,000	500,000
Alberta Justice and Solicitor General - deferred portion of current grant	(29,637)	(52,325)
University of Alberta	60,000	60,000
Revenue from restricted contributions	4,330	6,519
Uniform Law Conference of Canada	-	2,500
	<u>\$ 1,291,977</u>	<u>\$ 1,248,058</u>

The Institute has beneficial relationships with the above noted organizations.

9. INVESTMENT INCOME (LOSS)

	2024	2023
Investment income	\$ 77,616	\$ 64,508
Unrealized gain (loss) on investments	58,109	(46,510)
Realized gain on investments	5,386	1,155
	<u>\$ 141,111</u>	<u>\$ 19,153</u>

All investment income is earned by the restricted reserve fund.

10. RELATED PARTY TRANSACTIONS

The University of Alberta provides office facilities and services at a cost of \$1 to the Institute.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. ECONOMIC DEPENDENCE

The Institute receives 59% (2023 - 59%) of its operating revenue from Alberta Law Foundation, 37% (2023 - 36%) from Alberta Justice and Solicitor General, and 4% (2023 - 5%) from the University of Alberta.

In addition to our key funders, office space and support in kind is provided by:

The University of Alberta
The University of Calgary

We have always contended that law reform is an interactive process. Our work would not be possible without the commitment of subject matter experts who volunteered their time to consultation and advisory groups. The contributions of the following organisations in keeping their members and stakeholders up-to-date on our work are much appreciated:

Law Society of Alberta
Canadian Bar Association, Alberta Branch
Legal Education Society of Alberta

Finally, we would like to thank the judges, authors and social media users who refer to our reports in the course of their work.

Alberta **LAW**
FOUNDATION



**THANK
YOU**

All of our reports are freely available electronically on our website.

We encourage you to contact us. The Your Views section on our website was designed to let you choose to be added to our electronic mailing list or provide comments on the current projects we are working on. You can also use this option to suggest an area for review that we are not currently addressing.

You can also follow us on Twitter/X at @ablawreform for the latest on our projects and developments in Alberta law.

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