

Financial Statements of
**UNIFORM LAW CONFERENCE
OF CANADA**

March 31, 2021

August 23, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of
Uniform Law Conference of Canada:

Opinion

We have audited the accompanying financial statements of Uniform Law Conference of Canada (the "Conference"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Conference as at March 31, 2021, and the results of its operations and its 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 Conference in accordance with the 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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report, but does not include the financial statements and our auditor's report thereon.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the applicable financial reporting framework, 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.

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



HENDRY WARREN _{LLP}
Chartered Professional Accountants
Licensed Public Accountants
Ottawa, Ontario

UNIFORM LAW CONFERENCE OF CANADA

Statement of Financial Position

March 31, 2021, with comparative figures for the year ended March 31, 2020

	General	Research	2021	2020
Assets				
Current assets				
Cash	\$ 70,577	\$ 22,271	\$ 92,848	\$ 121,232
Accounts receivable	161,000	85,500	246,500	213,000
GST/HST recoverable	8,392	-	8,392	12,111
Short-term investments (Note 3)	150,048	420,359	570,407	483,118
Interfund balances	110,617	(110,617)	-	-
	500,634	417,513	918,147	829,461
Internally restricted short-term investments	-	-	-	26,024
Intangible asset (Note 4)	63,256	-	63,256	28,164
	\$ 563,890	\$ 417,513	\$ 981,403	\$ 883,649
Liabilities and Net Assets				
Current liabilities				
Accounts payable and accrued liabilities	\$ 10,085	\$ 2,500	\$ 12,585	\$ 16,939
Deferred contributions	161,000	85,500	246,500	246,500
	171,085	88,000	259,085	263,439
Net assets				
Unrestricted	177,805	134,513	312,318	594,186
Internally restricted	215,000	195,000	410,000	26,024
	392,805	329,513	722,318	620,210
	\$ 563,890	\$ 417,513	\$ 981,403	\$ 883,649

Approved on behalf of the Executive Committee:

President

UNIFORM LAW CONFERENCE OF CANADA

Statement of Operations

Year ended March 31, 2021, with comparative figures for the year ended March 31, 2020

	General	Research	2021	2020
Revenue				
Annual contributions (Schedule A)	\$ 156,000	\$ 85,500	\$ 241,500	\$ 222,500
Interest	823	8,247	9,070	3,881
	156,823	93,747	250,570	226,381
Expenses				
Annual meeting	6,140	6,140	12,280	43,467
Audit and bookkeeping fees	4,043	4,043	8,086	8,368
Central activities - project management	-	65,252	65,252	65,252
Executive committee	-	-	-	3,603
Executive committee - SPOC meeting	-	-	-	10,565
Executive director	52,307	-	52,307	42,875
Memberships and licences	691	-	691	-
Miscellaneous	1,612	(4)	1,608	733
Office supplies	542	-	542	139
Research activities (ACPDM)	-	6,912	6,912	15,921
Translation	598	-	598	-
Website	186	-	186	186
	66,119	82,343	148,462	191,109
Excess of revenue over expenses	\$ 90,704	\$ 11,404	\$ 102,108	\$ 35,272

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Statement of Changes in Net Assets

Year ended March 31, 2021, with comparative figures for the year ended March 31, 2020

	General		Research			
	Unrestricted (Restated) (Note 2)	Internally Restricted (Note 6)	Unrestricted (Restated) (Note 2)	Internally Restricted (Note 6)	2021	2020
Balance, beginning of year	\$ 281,582	\$ 20,519	\$ 312,604	\$ 5,505	\$ 620,210	\$ 584,938
Excess of revenue over expenses	90,704	-	11,404	-	102,108	35,272
Reallocate website development costs	20,519	(20,519)	5,505	(5,505)	-	-
Reallocate unrestricted net assets to restricted (Note 5)	(215,000)	215,000	(195,000)	195,000	-	-
Balance, end of year	\$ 177,805	\$ 215,000	\$ 134,513	\$ 195,000	\$ 722,318	\$ 620,210

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Cash Flow Statement

Year ended March 31, 2021, with comparative figures for the year ended March 31, 2020

	General	Research	2021	2020
Operating activities				
Excess of revenue over expenses	\$ 90,704	\$ 11,404	\$ 102,108	\$ 35,272
Non-cash items:				
Accrued interest income	(48)	(7,510)	(7,558)	(1,938)
Interfund balances	(23,729)	23,729	-	-
Changes in non-cash working capital balances (Note 7)	(25,635)	(8,500)	(34,135)	17,654
Cash provided by (used) in operating activities	41,292	19,123	60,415	50,988
Investing activities				
Re-invested interest income	(775)	(737)	(1,512)	(312)
Acquisition of investments	(47,396)	(4,799)	(52,195)	-
Acquisition of intangible asset	(17,546)	(17,546)	(35,092)	(11,094)
Cash used in investing activities	(65,717)	(23,082)	(88,799)	(11,406)
(Decrease) increase in cash	(24,425)	(3,959)	(28,384)	39,582
Cash, beginning of year	95,002	26,230	121,232	81,650
Cash, end of year	\$ 70,577	\$ 22,271	\$ 92,848	\$ 121,232

UNIFORM LAW CONFERENCE OF CANADA

Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

Organization

Uniform Law Conference of Canada (the "Conference") is an unincorporated not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes under section 149(1)(l) of the Income Tax Act (Canada). Its primary objective is to promote uniformity of legislation throughout Canada on subjects on which uniformity may be found to be possible and advantageous.

1. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

The Conference receives annual funding from provincial and federal governments as well as sponsorships in connection with its annual conference. The Conference follows the deferral method of accounting for contributions. Under this method, restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Conference holds Guaranteed Investment Certificates ("GICs") that earn annual interest. The interest income is recognized as it accrues and when collection is reasonably assured.

Fund accounting

General Fund

Revenue and expenses for the delivery of service activities and administration are reported in the General Fund.

Research Fund

The Research Fund supports the working groups who undertake study of specific points of law for the purpose of harmonizing criminal and civil law across all jurisdictions in Canada. The Research Fund expenses are approved by the Executive Committee.

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Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

Internally restricted funds

Part of the Conference's net assets have been restricted as approved by the Executive Committee (the "Committee"). Transfers among net asset categories are recorded when approved by the Committee. The purpose of each category of internally restricted net assets is as follows:

Operating Reserve

This fund is available to address shortfalls in annual assessments, unexpected expenses and an orderly wind-up if required.

Annual Meeting Expenses

As annual meeting budgets have significant differentials dependent on the location of the meetings, this fund is available to ensure that there are funds available to cover annual meetings with higher costs.

Website and Record Management/ Cloud Storage

This fund is for enhancements of the website, which is assumed to be every five years.

Strategic Planning and Related Meetings

This fund is available to cover costs of remote and in-person strategic planning meetings.

Liability Fund

This fund is for self-insurance for potential legal fees and liabilities related to contract disputes and liability for incidents at annual meetings.

Special Initiatives Fund

This fund is available to the Executive Committee to fund one-time initiatives.

Cash and cash equivalents

The Conference's policy is to disclose bank balances under cash and cash equivalents and temporary investments with a maturity period of three months or less from the date of acquisition. Term deposits that the entity cannot use for current transactions because they are pledged as security are excluded from cash and cash equivalents.

Intangible asset

Website costs are recognized at cost and are amortized based on the basis of their useful lives using the straight-line method over 5 years. One-half of the annual amount is claimed in the year the asset becomes available for use.

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Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to excess of revenue over expenses as appropriate in the year they become known. Significant estimates include the allocation of expenses between the general and research fund.

Financial instruments

The Conference's financial instruments consist of cash, accounts receivable, short-term investments, and accounts payable and accrued liabilities.

Measurement

Financial instruments are recorded at fair value on initial recognition and are subsequently measured at amortized cost.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is 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 revenue over expenses.

Contributed services

The Conference receives the service of many volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expense has been included in these financial statements.

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Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

2. Restatement due to prior year error

The financial statements have been retrospectively restated to reflect a transfer of \$200,000 from the Research fund to the General fund. The Conference reviewed the estimated allocation of expenses between General and Research funds going back to 2014 and determined that approximately \$125,000 of expenses should have been allocated to the Research fund. As well, management prepared an estimate of the impact of unallocated expenses prior to 2014 and determined that approximately \$35,000 of expenses should have been allocated to the Research fund. The Conference also identified \$40,000 that had been incorrectly transferred to the Research Fund to purchase a GIC.

As a result of the restatement, the Statement of Changes in Net Assets as at March 31, 2021 reflects the following changes:

- Opening balance for the unrestricted General fund has increased by \$200,000; and
- Opening balance for the unrestricted Research fund has decreased by \$200,000.

The total combined opening balance as at March 31, 2021 and the total combined closing balance as at March 31, 2020 have not been impacted by this restatement.

3. Short-term investments

Short-term investments are comprised of guaranteed investment certificates earning interest at rates between 0.20% and 2.50% per annum with maturity dates between September 2021 and September 2024.

4. Intangible asset

	2021		2020	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Website	\$ 63,256	\$ -	\$ 63,256	\$ 28,164

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Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

5. Internally restricted funds

In March 2021, management and the Executive Committee established a reserve fund to be shown on the financial statements as "internally restricted assets" to ensure that the Conference is able to withstand fluctuations in annual assessment payments and/or non-recurring or periodic expenses. Funds drawn from the reserve fund will require a recommendation from the Budget and Finance Committee and a decision by the Executive Committee. Decisions will also be required about whether to replenish the amount expended when funds are available to do so. Each year the Budget and Finance Committee and the Executive Committee will review the funds and the amounts allocated to each category to determine if modifications to the categories and amounts are required.

6. Internally restricted net assets

General Fund

	Operating Reserve	Annual Meeting Expenses	Website and Record Management /Cloud Storage	Strategic Planning And Related Meetings	Liability Fund	Special Initiative Fund	Total
Opening balance	\$ -	\$ -	\$ 20,519	\$ -	\$ -	\$ -	\$ 20,519
Reallocate website costs	-	-	(20,519)	-	-	-	(20,519)
One-time transfer (Note 5)	87,500	22,500	37,500	12,500	35,000	20,000	215,000
	\$ 87,500	\$ 22,500	\$ 37,500	\$ 12,500	\$ 35,000	\$ 20,000	\$ 215,000

Research Fund

	Operating Reserve	Annual Meeting Expenses	Website and Record Management /Cloud Storage	Strategic Planning And Related Meetings	Liability Fund	Special Initiative Fund	Total
Opening balance	\$ -	\$ -	\$ -	\$ 5,505	\$ -	\$ -	\$ 5,505
Reallocate website costs	-	-	-	(5,505)	-	-	(5,505)
One-time transfer (Note 5)	87,500	22,500	37,500	12,500	15,000	20,000	195,000
	\$ 87,500	\$ 22,500	\$ 37,500	\$ 12,500	\$ 15,000	\$ 20,000	\$ 195,000

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Notes to the Financial Statements

March 31, 2021, with comparative figures for 2020

7. Changes in non-cash working capital balances

Changes in non-cash working capital balances have provided (used) cash as follows:

	General	Research	2021	2020
Accounts receivable	\$ (25,000)	\$ (8,500)	\$ (33,500)	\$ (213,000)
GST/HST recoverable	3,719	-	3,719	(3,083)
Accounts payable and accrued liabilities	(4,354)	-	(4,354)	(12,763)
Deferred contributions	-	-	-	246,500
	\$ (25,635)	\$ (8,500)	\$ (34,135)	\$ 17,654

8. Financial instruments

Risk and concentrations

It is management's opinion that the Conference is not exposed to significant interest rate, liquidity, market, currency or credit risks arising from its financial instruments. There has been no change in the risk exposure from 2020.

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Schedule of Annual Contributions

Schedule A

Year ended March 31, 2021, with comparative figures for the year ended March 31, 2020

	General	Research	2021	2020
Annual Contributions				
Alberta	\$ 15,000	\$ 6,000	\$ 21,000	\$ 21,000
British Columbia	15,000	6,000	21,000	21,000
Canada	6,000	44,000	50,000	50,000
Manitoba	19,000	-	19,000	-
New Brunswick	10,000	-	10,000	10,000
Newfoundland and Labrador	10,000	2,000	12,000	12,000
Nova Scotia	6,000	6,000	12,000	12,000
Nunavut	10,000	1,000	11,000	11,000
Ontario	15,000	6,000	21,000	21,000
Prince Edward Island	10,000	-	10,000	10,000
Quebec	15,000	6,000	21,000	21,000
Saskatchewan	15,000	6,000	21,000	21,000
Yukon	10,000	2,500	12,500	12,500
	\$ 156,000	\$ 85,500	\$ 241,500	\$ 222,500