

---

**Canadian Superior Courts Judges  
Association/Association canadienne  
des juges des cours supérieures**

**Financial Statements**

**December 31, 2022**

---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Financial Statements**

---

**December 31, 2022**

---

	<b>Page</b>
Independent Auditor's Report	3 - 4
Statement of Operations and Changes in Fund Balances	5
Statement of Financial Position	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 13
Schedule of Administration	14

---

# VAIVE AND ASSOCIATES

## Professional Corporation

### Independent Auditor's Report

**To the Members of  
Canadian Superior Courts Judges Association/Association canadienne des juges des cours  
supérieures**

#### *Opinion*

We have audited the financial statements of Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures, which comprise the statement of financial position as at December 31, 2022, and the statements of operations and changes in fund balances 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 Association as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

#### *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 Association 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 opinion.

#### *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 ASNPO, 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 the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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

441 MacLaren Street, Suite 200A, Ottawa, ON K2P 2H3

Telephone 613-369-5064 Fax 613-695-7655 [www.vaiveandassociates.ca](http://www.vaiveandassociates.ca)

## Independent Auditor's Report (continued)

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 Association'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 Association'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 Association 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.

*Vaive and Associates*

Ottawa  
July 7, 2023

Vaive and Associates Professional Corporation  
(Authorized to practice public accounting by the Chartered  
Professional Accountants of Ontario)

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Statement of Operations and Changes in Fund Balances**

For the year ended December 31	<b>2022</b>			2021
	General Fund	Internally Restricted	Total	Total
<b>Revenue</b>				
Membership dues	\$ 633,900	\$ -	\$ 633,900	\$ 634,700
Refund of insurance premiums	-	33,884	33,884	32,817
Directory sponsorship	5,000	-	5,000	10,000
Investment income	19,405	51,780	71,185	69,519
Unrealized gain/(loss) on investments	(64,927)	(140,705)	(205,632)	15,634
	<b>593,378</b>	<b>(55,041)</b>	<b>538,337</b>	<b>762,670</b>
<b>Expenses</b>				
Board of Directors meeting (spring)	45,275	-	45,275	1,413
Annual meeting	34,581	-	34,581	10,677
Board of Directors meeting (fall)	24,708	-	24,708	31,435
President's expense	22,186	-	22,186	12,304
Quadrennial Commissions	20,915	-	20,915	225,246
Web development	8,244	-	8,244	3,947
International Judicial Relations	5,980	-	5,980	1,980
Public Education Committee	3,462	-	3,462	3,280
Commonwealth Magistrates	3,388	-	3,388	3,124
Independence Committee	1,292	-	1,292	-
Planning Committee	904	-	904	17,585
Access to Justice	548	-	548	-
Conduct Review Committee	25	-	25	-
Advisory Committee	-	-	-	1,000
Administration (Schedule 1)	226,877	-	226,877	264,758
<b>Total expenses</b>	<b>398,385</b>	<b>-</b>	<b>398,385</b>	<b>576,749</b>
Excess of revenue over expenses	194,993	(55,041)	139,952	185,921
Net assets - Beginning of the year	1,484,759	1,630,180	3,114,939	2,929,018
<b>Net assets - End of year</b>	<b>1,679,752</b>	<b>1,575,139</b>	<b>3,254,891</b>	<b>3,114,939</b>

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Statement of Financial Position**

For the year ended December 31	2022			2021
	General Fund	Internally Restricted	Total	Total
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 1,149,842	\$ 216,039	<b>\$ 1,365,881</b>	\$ 475,656
Accounts receivable	57,256	4,873	<b>62,129</b>	664,864
Short-term investments (note 3)	527,986	951,773	<b>1,479,759</b>	1,504,317
	1,735,084	1,172,685	<b>2,907,769</b>	2,644,837
<b>Investments (note 3)</b>	142,186	402,454	<b>544,640</b>	683,530
<b>Capital Assets (note 4)</b>	1,577	-	<b>1,577</b>	-
	1,878,847	1,575,139	<b>3,453,986</b>	3,328,367
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	28,595	-	<b>28,595</b>	27,878
Deferred revenue (note 5)	169,000	-	<b>169,000</b>	184,050
Due to related party (note 6)	1,500	-	<b>1,500</b>	1,500
	199,095	-	<b>199,095</b>	213,428
<b>Net Assets</b>	1,679,752	1,575,139	<b>3,254,891</b>	3,114,939
	1,878,847	1,575,139	<b>3,453,986</b>	3,328,367

**Member:** Clayton Conlan

**Member:** Janet McMurtry

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Statement of Cash Flows**

For the year ended December 31,	2022	2021
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 139,952	\$ 185,924
Items not affecting cash		
Realized (gain) loss on sale of investments	818	(5,869)
Amortization	694	350
Unrealized (gain) loss on investments	205,632	(15,635)
	<b>347,096</b>	164,770
Change in non-cash working capital items		
Accounts receivable	602,735	(457,032)
Prepaid expenses	-	361
Accounts payable and accrued liabilities	717	(100,045)
Deferred revenue	(15,050)	34,300
	<b>935,498</b>	(357,646)
<b>Investing activities</b>		
Purchase of investments	(325,313)	(980,676)
Proceeds on sale of investments	282,310	1,069,408
Purchase of capital assets	(2,270)	-
	<b>(45,273)</b>	88,732
<b>Increase (decrease) in cash</b>	<b>890,225</b>	(268,914)
<b>Cash, beginning of year</b>	<b>475,656</b>	744,570
<b>Cash, end of year</b>	<b>\$ 1,365,881</b>	<b>\$ 475,656</b>
<b>Cash consists of:</b>		
Cash	\$ 1,149,842	\$ 292,923
Restricted cash	216,039	182,733
	<b>\$ 1,365,881</b>	<b>\$ 475,656</b>

---

# Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures

## Notes to the Financial Statements

---

For the year ended December 31, 2022

---

### 1. Nature of operations

Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures ("the Association") is incorporated without share capital under the provisions of the Canada Not-for-profit Corporations Act. Membership in the Association is restricted to federally appointed judges.

The mandate of the Association is:

- (a) to take such actions and make such representations as may be appropriate in order to assure that the salaries and other benefits guaranteed by the Constitution Act, and provided by the Judges Act, are maintained at levels and in a manner that are fair and reasonable and that reflect the importance of a competent and dedicated judiciary;
- (b) to concern itself with the provisions of the Judges Act and the procedures established thereunder pertaining to complaints, investigations and inquiries concerning the conduct of judges, and to provide appropriate guidelines and assistance to its members in relation to those matters;
- (c) to play a role in determining policy for the continuing education of judges and in the work of the National Judicial Institute;
- (d) to seek to achieve a better public understanding of the role of the judiciary in the administration of justice;
- (e) to monitor, and where applicable, seek enhancement of the level of support services made available to the judiciary in co-operation with the Canadian Judicial Council; and
- (f) to address the needs and concerns of supernumerary and retired judges.

The Association is a not-for-profit organization under Section 149(1)(l) of the Income Tax Act (Canada) and, as such, is exempt from income taxes.

### 2. Significant accounting policies

The Association applies the Canadian accounting standards for not-for-profit organizations.

#### (a) Revenue recognition

Membership dues received in advance are deferred and recognized in the year to which they relate.

Refund of insurance premiums are recognized when payments are received.

Investment income is recognized when the amount is earned and collection is reasonably assured.

All other revenues are recognized when the amounts become known, and collection is reasonably assured.



---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Notes to the Financial Statements**

---

**For the year ended December 31, 2022**

---

**2. Significant accounting policies (continued)**

**(b) Cash and cash equivalents**

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

**(c) Investments**

Investments are recorded at fair value. Realized and unrealized changes in fair value are recognized in investment income for the year.

**(d) Capital assets**

Capital assets are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	30%
Furniture and fixtures	30%

**(e) Accounting estimates**

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 amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates in these financial statements include net book value of property, plant and equipment, amortization and accrued receivables.

**(f) Fund accounting restricted**

The General Fund includes the day-to-day transactions of the Association.

The Internally Restricted Fund includes the transactions relating to an internally restricted reserve for catastrophe insurance. The investment income earned by this fund remains in the fund.

**Notes to the Financial Statements**

---

**For the year ended December 31, 2022**

---

**2. Significant accounting policies (continued)**

**(g) Financial instruments**

**(i) Measurement of financial instruments**

The Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

The Association subsequently measures its financial assets and financial liabilities at amortized cost, except for equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, and accounts receivable, and guaranteed investment certificates.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue, and due to related party.

Financial assets measured at fair value include mutual funds and equity investments.

**(ii) Impairment**

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- ♦ the present value of the cash flows expected to be generated by the asset or group of assets;
- ♦ the amount that could be realized by selling the assets or group of assets;
- ♦ the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Notes to the Financial Statements**

---

**For the year ended December 31, 2022**

---

**3. Investments**

Guaranteed investment certificates include investments with interest rates ranging from 1.10% to 3.22%, having maturity dates ranging from 2022 to 2024.

Investments in fixed income funds mature between 2025 and 2047 and have interest rates of 1.159% and 4.40%.

	<u>2022</u>	<u>2021</u>
Guaranteed investment certificates	\$ 336,396	\$ 236,057
Mutual funds	739,024	805,600
Equities	<u>404,339</u>	<u>462,660</u>
Total short-term investments	<u>\$ 1,479,759</u>	<u>\$ 1,504,317</u>
	<u>2022</u>	<u>2021</u>
Guaranteed investment certificates	\$ 204,490	\$ 301,046
Mutual funds	<u>340,150</u>	<u>382,484</u>
Total long-term investments	<u>\$ 544,640</u>	<u>\$ 683,530</u>

**4. Capital assets**

	<u>2022</u>		
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>
Office equipment	\$ 5,521	\$ 3,944	\$ 1,577
Furniture and fixtures	<u>10,650</u>	<u>10,650</u>	<u>-</u>
	<u>\$ 16,171</u>	<u>\$ 14,594</u>	<u>\$ 1,577</u>
	<u>2021</u>		
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>
Office equipment	\$ 3,250	\$ 3,250	-
Furniture and fixtures	<u>10,650</u>	<u>10,650</u>	<u>-</u>
	<u>\$ 13,900</u>	<u>\$ 13,900</u>	<u>\$ -</u>

---

---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Notes to the Financial Statements**

---

**For the year ended December 31, 2022**

---

**5. Deferred revenue**

Deferred revenues relate to membership dues received in advance of the year in which they relate.

	2022	2021
Balance, beginning of year	\$ 184,050	\$ 149,750
Additions	169,000	184,050
Recognized	<u>(184,050)</u>	<u>(149,750)</u>
Balance	<u>\$ 169,000</u>	<u>\$ 184,050</u>

**6. Due to related party**

The amount due to the Canadian Superior Courts Judges Association Foundation is non interest bearing and due on demand.

**7. Legal Fees**

During the year the Association received \$50,824 as a reimbursement for expenses incurred during the 2020 and 2021 fiscal years related to the Minister's Review. The Association was not expecting to be reimbursed for these amounts, and therefore did not accrue the receivable at that time.

**8. Commitments**

The Association pays \$1,776 plus HST per month for their office and parking. The amount is on a month to month agreement.

**9. Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

**(a) Market risk**

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. <Disclose company's exposure to risk>

---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Notes to the Financial Statements**

---

**For the year ended December 31, 2022**

---

**9. Financial instruments (continued)**

**(b) Credit risk**

The Association does have credit risk in accounts receivable of \$62,129 (2021 - \$664,864). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. As at year end, 97% of the accounts receivable is due from one customer (2020 - 87% from one customer).

**(c) Concentration of risk**

Concentration risk exists when a significant portion of the portfolio is invested in securities with similar characteristics, or is subject to similar economic, political and other conditions. The Association's investments are described in note 3.

**(d) Investment risk**

Investment in financial instruments renders the Association subject to investment risks. Interest risk is the risk arising from fluctuations in interest rates and their degree of volatility.

Market risk is the risk to the value of a financial instrument due to fluctuations in market prices, whether these fluctuations are caused by factors specific to the investment itself or to its issuer, or by factors pertinent to all investments in the market. The Association is exposed to market risk through its equity investments.

There have been no significant changes in the aforementioned risks during the year.

---

**Canadian Superior Courts Judges Association/Association canadienne des juges des cours supérieures**

**Schedule to the Financial Statements**

---

**Schedule of administration**

**Schedule 1**

	<b>2022</b>	2021
Salaries and benefits	<b>\$ 125,741</b>	\$ 91,191
Administration fees	<b>30,791</b>	63,766
Interest and bank charges	<b>27,125</b>	28,102
Printing and stationery	<b>25,646</b>	13,810
Office rent	<b>22,947</b>	22,558
Communications	<b>10,528</b>	4,355
Audit fee	<b>10,170</b>	10,170
Translation	<b>7,070</b>	3,902
Association membership	<b>4,392</b>	3,833
Travel	<b>2,820</b>	2,832
Miscellaneous	<b>2,465</b>	83
Administration support	<b>764</b>	3,214
Meals	<b>751</b>	203
Postage and courier	<b>737</b>	14,156
Consulting fees	<b>706</b>	283
Amortization	<b>694</b>	350
Legal fees (recovery) (note 7)	<b>(46,470)</b>	1,950
Total	<b>\$ 226,877</b>	\$ 264,758

---