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

Financial Statements

December 31, 2024

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

Financial Statements

December 31, 2024

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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, 2024, 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, 2024, and its results of operations and its cash flows for the year then ended in accordance with the Accounting Standards for Not-for-Profit Organisations ("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 Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditor's Report (continued)

- ♦ 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
Date to be determined

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	2024			2023
	General Fund	Internally Restricted	Total	Total
Revenue				
Membership dues	\$ 628,750	\$ -	\$ 628,750	\$ 631,150
Refund of insurance premiums	-	19,419	19,419	18,966
Directory sponsorship	5,000	-	5,000	5,000
Investment income (net) (Note 3)	79,657	65,717	145,374	98,538
Unrealized gain/(loss) on investments	55,764	57,979	113,743	80,980
	769,171	143,115	912,286	834,634
Expenses				
Quadrennial Commissions	119,637	-	119,637	35,045
Board of Directors meeting (fall)	58,033	-	58,033	40,394
Annual meeting	36,678	-	36,678	41,542
President's expense	28,872	-	28,872	19,192
Independence Committee	25,179	-	25,179	20,223
Member Services Committee	17,869	-	17,869	-
Board of Directors meeting (spring)	12,747	-	12,747	27,884
Member Communications	11,827	-	11,827	-
Governance Committee	8,997	-	8,997	-
Web development	5,985	-	5,985	7,708
Public Education Committee	4,551	-	4,551	- 395
International Judicial Relations	3,643	-	3,643	3,899
Conduct Review Committee	-	-	-	218
Administration (Schedule 1)	285,621	-	285,621	273,435
Total expenses	619,638	-	619,638	469,145
Excess of revenue over expenses	149,533	143,115	292,648	365,489
Net assets - Beginning of the year	1,947,091	1,673,289	3,620,380	3,254,891
Net assets - End of year	\$ 2,096,624	\$ 1,816,404	\$ 3,913,028	\$ 3,620,380

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Statement of Financial Position

For the year ended December 31	2024			2023
	General Fund	Internally Restricted	Total	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 724,955	\$ 94,229	\$ 819,184	\$ 606,520
Accounts receivable	352,076	5,667	357,743	120,888
Prepaid expenses	-	-	-	4,000
Short-term investments (note 4)	1,182,391	1,072,662	2,255,053	2,408,013
	2,259,422	1,172,558	3,431,980	3,139,421
Investments (note 4)	298,420	643,846	942,266	757,036
Capital Assets (note 5)	270	-	270	820
	<u>\$ 2,558,112</u>	<u>\$ 1,816,404</u>	<u>\$ 4,374,516</u>	<u>\$ 3,897,277</u>
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	\$ 231,988	\$ -	\$ 231,988	\$ 64,097
Deferred revenue (note 6)	228,000	-	228,000	211,300
Due to related party (note 7)	1,500	-	1,500	1,500
	461,488	-	461,488	276,897
Net Assets	<u>2,096,624</u>	<u>1,816,404</u>	<u>3,913,028</u>	<u>3,620,380</u>
	<u><u>\$ 2,558,112</u></u>	<u><u>\$ 1,816,404</u></u>	<u><u>\$ 4,374,516</u></u>	<u><u>\$ 3,897,277</u></u>

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Statement of Cash Flows

For the year ended December 31,	2024	2023
Operating activities		
Excess of revenue over expenses	\$ 292,647	\$ 365,489
Items not affecting cash		
Realized (gain) loss on sale of investments	(117)	5,818
Amortization	550	757
Unrealized (gain) loss on investments	(113,744)	(80,980)
	179,336	291,084
Change in non-cash working capital items		
Accounts receivable	(236,855)	(58,759)
Prepaid expenses	4,000	(4,000)
Accounts payable and accrued liabilities	167,893	35,501
Deferred revenue	16,700	42,300
	131,074	306,126
Investing activities		
Net investment activity	81,590	(1,065,487)
	81,590	(1,065,487)
Increase (decrease) in cash	212,664	(759,361)
Cash, beginning of year	606,520	1,365,881
Cash, end of year	\$ 819,184	\$ 606,520
Cash consists of:		
Cash	\$ 724,955	\$ 530,500
Restricted cash	94,229	76,020
	\$ 819,184	\$ 606,520

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

Notes to the Financial Statements

For the year ended December 31, 2024

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, 2024

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 as investment income for the year.

(d) Capital assets

Capital assets are recorded at cost. The Association provides for amortization using the declining balance 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, 2024

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.

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Notes to the Financial Statements

For the year ended December 31, 2024

3. Investment income (net)

	2024	2023
Investment revenue	\$ 162,454	\$ 112,386
Investment counsel fees	(17,080)	(13,848)
Total	<u>\$ 145,374</u>	<u>\$ 98,538</u>

4. Investments

Guaranteed investment certificates include investments with interest rates ranging from 5.06% to 5.38%, having maturity dates ranging from 2025 to 2026.

Investments in fixed income funds mature between 2025 and 2047 and have interest rates ranging from 1.589% to 5.431%.

	2024	2023
Guaranteed investment certificates	\$ 1,125,256	\$ 1,411,751
Mutual funds	402,842	382,828
Equities	726,955	613,434
Total short-term investments	<u>\$ 2,255,053</u>	<u>\$ 2,408,013</u>

	2024	2023
Guaranteed investment certificates	\$ 146,509	\$ -
Mutual funds	795,757	757,036
Total long-term investments	<u>\$ 942,266</u>	<u>\$ 757,036</u>

5. Capital assets

	2024		
	Cost	Accumulated amortization	Net book value
Office equipment	\$ 5,521	\$ 5,251	\$ 270
Furniture and fixtures	10,650	10,650	-
	<u>\$ 16,171</u>	<u>\$ 15,901</u>	<u>\$ 270</u>

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Notes to the Financial Statements

For the year ended December 31, 2024

5. Capital assets (continued)

	2023		
	Cost	Accumulated amortization	Net book value
Office equipment	\$ 5,521	\$ 4,701	\$ 820
Furniture and fixtures	10,650	10,650	-
	<u>\$ 16,171</u>	<u>\$ 15,351</u>	<u>\$ 820</u>

6. Deferred revenue

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

	2024	2023
Balance, beginning of year	\$ 211,300	\$ 169,000
Additions	228,000	211,300
Recognized	<u>(211,300)</u>	<u>(169,000)</u>
Balance	<u>\$ 228,000</u>	<u>\$ 211,300</u>

7. Due to related party

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

8. Commitments

The Association pays \$250 plus HST per month for their mail forwarding service, billed quarterly. The amount is subject to annual review every August 21st. The agreement may be terminated with 10 days written notice.

9. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

Notes to the Financial Statements

For the year ended December 31, 2024

10. 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) Credit risk

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. The Association is exposed to this risk in its accounts receivable of \$357,743 (2023 - \$120,888). As at year end, 96% of the accounts receivable is due from one customer (2023 - 94% from one customer). Management does not believe this risk to be material, as the one customer is a government agency.

(b) 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 4.

(c) 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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

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

	2024	2023
Salaries and benefits	\$ 153,144	\$ 131,118
Contractors	33,575	29,820
Legal fees	24,659	421
Credit card an bank charges	17,125	16,244
Printing and stationery	15,261	22,583
Postage and courier	12,229	10,304
Audit fee	11,752	11,300
Communications	8,652	14,652
Association membership	4,056	3,717
Administration and supplies	2,055	4,197
Translation	1,391	7,805
Consulting fees	718	650
Amortization	550	757
Meals	275	57
Travel	104	2,115
Miscellaneous	75	124
Office rent	-	17,571
Total	\$ 285,621	\$ 273,435