



**HENDRY
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Financial Statements of

UNIFORM LAW CONFERENCE OF CANADA

March 31, 2019

Ian W. Hendry, FCPA, FCA, CFP
Marie Fraser, CPA, CA, CFP
Nancy Nicks, CPA, CA
Jacob Milosek, CPA, CA

MEMBER
INPACT
INTERNATIONAL ALLIANCE OF
PROFESSIONAL ACCOUNTANTS

Daniel B. Warren, FCPA, FCA, TEP
Blair Duffy, CPA, CA
Todd Hamilton, CPA, CA
David Lenzi, CPA, CA, CBV



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August 18, 2019

INDEPENDENT AUDITORS' 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, 2019, 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, 2019, 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.

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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.



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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

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UNIFORM LAW CONFERENCE OF CANADA

Statement of Financial Position

March 31, 2019, with comparative figures for 2018

	General	Research	2019	2018
Assets				
Current assets				
Cash	\$ 1,383	\$ 80,267	\$ 81,650	\$ 74,557
Short-term investments (Note 2)	74,659	395,535	470,194	449,498
GST/HST recoverable	8,756	272	9,028	7,369
Interfund balances	(31,153)	31,153	-	-
	53,645	507,227	560,872	531,424
Internally restricted short-term investments (Note 3)	26,243	10,455	36,698	53,529
Intangible asset (Note 4)	17,070	-	17,070	-
	\$ 96,958	\$ 517,682	\$ 614,640	\$ 584,953
Liabilities and Net Assets				
Current liabilities				
Accounts payable and accrued liabilities	\$ 27,204	\$ 2,498	\$ 29,702	\$ 7,178
Net assets				
Unrestricted	43,511	504,729	548,240	524,246
Internally restricted (Note 3)	26,243	10,455	36,698	53,529
	69,754	515,184	584,938	577,775
	\$ 96,958	\$ 517,682	\$ 614,640	\$ 584,953

Approved on behalf of the Executive Committee:

Director

UNIFORM LAW CONFERENCE OF CANADA

Statement of Operations

Year ended March 31, 2019, with comparative figures for 2018

	General	Research	2019	2018
Revenue				
Annual contributions (Schedule A)	\$ 76,000	\$ 85,500	\$ 161,500	\$ 162,500
Annual meeting sponsorship	-	-	-	6,000
Interest	347	3,515	3,862	3,798
Sales of publications	-	-	-	64
	<u>76,347</u>	<u>89,015</u>	<u>165,362</u>	<u>172,362</u>
Expenses				
Annual meeting	33,805	-	33,805	43,576
Executive committee	12,882	-	12,882	5,884
Executive director	42,875	-	42,875	42,875
Miscellaneous	1,648	129	1,777	1,713
Office supplies	38	-	38	172
Professional fees	5,917	2,728	8,645	6,870
Translation	647	-	647	6,030
Website	179	-	179	5,698
Central activities				
Project management	-	57,351	57,351	35,875
	<u>97,991</u>	<u>60,208</u>	<u>158,199</u>	<u>148,693</u>
(Deficiency) excess of revenue over expenses	\$ (21,644)	\$ 28,807	\$ 7,163	\$ 23,669

UNIFORM LAW CONFERENCE OF CANADA

Statement of Changes in Net Assets

Year ended March 31, 2019, with comparative figures for 2018

	General		Research		2019	2018
	Unrestricted	Restricted	Unrestricted	Restricted		
Balance, beginning of year	\$ 48,233	\$ 43,165	\$ 476,013	\$ 10,364	\$ 577,775	\$ 554,106
(Deficiency) excess of revenue over expenses	(21,644)	-	28,807	-	7,163	23,669
Reallocate interest earned on internally restricted investments	(148)	148	(91)	91	-	-
Reallocate website development costs	17,070	(17,070)	-	-	-	-
Balance, end of year	\$ 43,511	\$ 26,243	\$ 504,729	\$ 10,455	\$ 584,938	\$ 577,775

UNIFORM LAW CONFERENCE OF CANADA

Cash Flow Statement

Year ended March 31, 2019, with comparative figures for 2018

	General	Research	2019	2018
Operating activities				
(Deficiency) excess of revenue over expenses	\$ (21,644)	\$ 28,807	\$ 7,163	\$ 23,669
Non-cash items:				
Accrued interest income	(347)	(3,515)	(3,862)	(3,798)
Interfund balances	6,745	(6,745)	-	-
Changes in working capital balances (Note 5)	19,070	1,792	20,862	13,533
Cash provided by operating activities	3,824	20,339	24,163	33,404
Investing activities				
Acquisition of intangible asset	(17,070)	-	(17,070)	-
Cash used in investing activities	(17,070)	-	(17,070)	-
(Decrease) increase in cash	(13,246)	20,339	7,093	33,404
Cash, beginning of year	14,629	59,928	74,557	41,153
Cash, end of year	\$ 1,383	\$ 80,267	\$ 81,650	\$ 74,557

UNIFORM LAW CONFERENCE OF CANADA

Notes to the Financial Statements

March 31, 2019, with comparative figures for 2018

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 generally accepted 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.

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.

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.

UNIFORM LAW CONFERENCE OF CANADA

Notes to the Financial Statements

March 31, 2019, with comparative figures for 2018

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.

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. There are no significant estimates used by management.

Financial instruments

The Conference's financial instruments consist of cash, accounts receivable, short-term investments, internally restricted 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 (deficiency) 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 (deficiency) 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.

2. Short-term investments

Short-term investments are comprised of guaranteed investment certificates earning interest at rates between 0.60% and 1.5% per annum with maturity dates between July 2019 and September 2021.

3. Internally restricted investments

The Executive Committee has earmarked \$36,698 (2018: \$53,529) of General and Research Fund investments to finance future expenses. This amount will be used to offset costs of future website development and provide simultaneous interpretation services for future annual meetings.

UNIFORM LAW CONFERENCE OF CANADA

Notes to the Financial Statements

March 31, 2019, with comparative figures for 2018

4. Intangible asset

	2019		2018	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Website	\$ 17,070	\$ -	\$ 17,070	\$ -

5. Changes in working capital balances

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

	General	Research	2019	2018
Accounts receivable	\$ -	\$ -	\$ -	\$ 13,000
GST/HST recoverable	(3,451)	1,792	(1,659)	558
Accounts payable and accrued liabilities	22,521	-	22,521	975
Deferred contributions	-	-	-	(1,000)
	\$ 19,070	\$ 1,792	\$ 20,862	\$ 13,533

6. 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 2018.

UNIFORM LAW CONFERENCE OF CANADA

Schedule of Annual Contributions

Schedule A

Year ended March 31, 2019, with comparative figures for 2018

	General	Research	2019	2018
Annual Contributions				
Alberta	\$ 6,000	\$ 6,000	\$ 12,000	\$ 12,000
British Columbia	6,000	6,000	12,000	12,000
Canada	6,000	44,000	50,000	50,000
Manitoba	6,000	-	6,000	6,000
New Brunswick	4,000	-	4,000	4,000
Newfoundland and Labrador	6,000	2,000	8,000	8,000
Northwest Territories	3,000	-	3,000	3,000
Nova Scotia	6,000	6,000	12,000	12,000
Nunavut	3,000	1,000	4,000	5,000
Ontario	12,000	6,000	18,000	18,000
Prince Edward Island	3,000	-	3,000	3,000
Quebec	6,000	6,000	12,000	12,000
Saskatchewan	6,000	6,000	12,000	12,000
Yukon	3,000	2,500	5,500	5,500
	\$ 76,000	\$ 85,500	\$ 161,500	\$ 162,500