CENTRE FOR COMMUNITY BASED RESEARCH

Financial Statements

Year Ended March 31, 2026

CENTRE FOR COMMUNITY BASED RESEARCH
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Year Ended March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Centre for Community Based Research

Opinion

We have audited the financial statements of Centre for Community Based Research (the "organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of revenues and expenditures and 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 (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2026, 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 (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 organization 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.

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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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.

(continues)

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 organization'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 organization'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 organization 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.



Waterloo, Ontario
October 1, 2026

SIMON MODESTI LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

CENTRE FOR COMMUNITY BASED RESEARCH
Statement of Financial Position
March 31, 2026

		2026		2025
ASSETS				
CURRENT				
Cash	**$**	**152,864**	$	321,210
Term deposits *(Note 3)*		**391,447**		435,683
Accounts receivable		**170,107**		30,196
Interest receivable		**19,830**		22,110
Prepaid expenses		**6,318**		8,992
Work in progress *(Note 4)*		**64,486**		235,142
GST/HST recoverable		**2,686**		3,562
		807,738		1,056,895
TERM DEPOSITS *(Note 3)*		**309,634**		209,426
	$	**1,117,372**	$	1,266,321
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable and accrued liabilities	**$**	**27,720**	$	20,854
Government remittances payable		**15,695**		19,237
Deferred fees *(Note 5)*		**383,506**		750,727
		426,921		790,818
NET ASSETS		**690,451**		475,503
	$	**1,117,372**	$	1,266,321

The accompanying notes form an integral part of these financial statements

CENTRE FOR COMMUNITY BASED RESEARCH

Statement of Revenues and Expenditures and Changes in Net Assets

Year Ended March 31, 2026

		2026		2025
REVENUES				
Research contract fees and grants	**$**	**1,101,890**	$	370,065
Interest income		**29,675**		32,575
		1,131,565		402,640
EXPENSES				
Salaries and benefits		**830,773**		533,297
Office supplies and publications		**29,412**		27,123
Travel		**18,053**		3,491
Contract services		**10,459**		16,813
Professional fees		**8,748**		7,073
Insurance		**6,219**		5,900
Equipment maintenance and software		**5,793**		4,507
Telephone		**5,337**		3,210
Public relations and development		**1,823**		918
		916,617		602,332
NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES		**214,948**		(199,692)
NET ASSETS - BEGINNING OF YEAR		**475,503**		675,195
NET ASSETS - END OF YEAR	**$**	**690,451**	$	475,503

The accompanying notes form an integral part of these financial statements

CENTRE FOR COMMUNITY BASED RESEARCH
Statement of Cash Flows
Year Ended March 31, 2026

		2026		2025
OPERATING ACTIVITIES				
Excess (deficiency) of revenues over expenses	**$**	**214,948**	$	(199,692)
Changes in non-cash working capital:				
Accounts receivable		**(139,911)**		68,925
Interest receivable		**2,280**		(3,950)
Prepaid expenses		**2,674**		(4,161)
Work in progress		**170,656**		(158,483)
Accounts payable and accrued liabilities		**6,867**		(1,122)
Government remittances payable		**(3,542)**		7,428
GST/HST recoverable		**876**		(3,552)
Deferred fees		**(367,221)**		389,371
		(327,321)		294,456
Cash flow from (used by) operating activities		**(112,373)**		94,764
INVESTING ACTIVITY				
Proceeds (purchase) of term deposits, net		**(55,973)**		(125,108)
DECREASE IN CASH FLOW		**(168,346)**		(30,344)
Cash - beginning of year		**321,210**		351,555
CASH - END OF YEAR	**$**	**152,864**	$	321,211

The accompanying notes form an integral part of these financial statements

1. NATURE OF ORGANIZATION

The Centre for Community Based Research (the "organization") is a not-for-profit organization incorporated without share capital under the laws of Ontario and, as a registered charitable organization under the Income Tax Act, is not liable for income tax.

The organization's mission is to promote social change and the development of communities and human services that are responsive and supportive, especially for people with limited access to power and opportunity. The organization aims to stimulate awareness, policies and practices that advance equitable participation and integration of all community members by being a leader in research and education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Cash and cash equivalents

Cash and cash equivalents consists of cash held in accounts at financial institutions and term deposits with an original maturity date of purchase of three months or less.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, accounts receivable, interest receivable and term deposits.

Revenue recognition

Revenue is recognized using the deferral method of accounting, whereby restricted contributions (research contract fees) for which related services remain unfulfilled, and related contract expenses (salaries, benefits and other direct non-payroll expenses), are accumulated as deferred fees and work in progress respectively on the Statement of Financial Position. The completed contract method is used for recognizing revenues and expenses. When contracts are completed, the related research contract fees earned and costs incurred are transferred from deferred fees and work in progress to the Statement of Operations and Change in Net Assets, and recognized as revenues and expenses respectively. Donations, interest and other income are reflected as revenues when received or receivable, unless restricted by the contributor, whereupon the funds are recorded as deferred income and only recognized when spent as designated by the contributor. Revenues and deferred fees are only reflected when amounts can be reasonably calculated and collection reasonably assured.

3. TERM DEPOSITS

Term deposits consists of guaranteed investment certificates with maturities ranging from April 3, 2026 to August 8, 2028 and interest rates ranging from 3.40% to 4.70%. Interest is paid annually on the coupon dates of the GICs.

4. WORK IN PROGRESS

		2026		2025
Salaries and benefits	**$**	**63,397**	$	229,963
Other direct costs		**1,089**		5,178
	$	**64,486**	$	235,141

5. DEFERRED FEES

		2026		2025
Deferred research contract fees - opening	**$**	**750,727**	$	361,356
Research contract fees - received during the year		**734,669**		759,436
Research contract fees - contracts completed during the year		**(1,101,890)**		(370,065)
Deferred research contract fees - closing	**$**	**383,506**	$	750,727

6. LEASE COMMITMENTS

The organization has a license agreement for its premises expiring June 30, 2028. The license fee includes utilities, common area and parking lot maintenance, landlord's insurance costs, and specified maintenance services. After June 30, 2025, either party may terminate the agreement upon at least six months' written notice to the other party. Future minimum payments as at March 31, 2026, are as follows:

2027	$ 16,562
2028	17,312
2029	4,375
	$ 38,249

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.