

CENTRE FOR COMMUNITY BASED RESEARCH
FINANCIAL STATEMENTS
MARCH 31, 2025



INDEPENDENT AUDITORS' REPORT

To the Directors of Centre for Community Based Research

Opinion

I have audited the financial statements of **Centre for Community Based Research**, which comprise the statement of financial position as at **March 31, 2025**, and the statement of operations and change in net assets, and the statement of cash flows, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion the accompanying financial statements present fairly, in all material respects, the financial position of **Centre for Community Based Research** as at **March 31, 2025** and its results of operations, changes in net assets, and cash flows, for the year then ended, in accordance with Canadian Accounting Standards for Not-for-profit Organizations.

Basis of Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

My 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 my 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 Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 I conclude that a material uncertainty exists, I am 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

E.M. Simon CPA

September 24, 2025

Waterloo, ON

E.M. Simon CPA Professional Corporation

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CENTRE FOR COMMUNITY BASED RESEARCH

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

(With comparative figures as at March 31, 2024)

(The accompanying notes are an integral part of these financial statements)

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT		
Cash	321,210	351,555
Investment (note 2)	435,682	320,000
Accounts receivable	55,861	117,281
Work in progress (note 3)	235,142	76,659
Prepaid expenses	8,992	4,831
	1,056,887	870,326
LONG-TERM		
Investment (note 2)	209,426	200,000
	\$1,266,313	\$1,070,326
LIABILITIES		
CURRENT		
Accounts payable	20,852	21,976
Government remittances payable	19,231	11,799
Deferred fees (note 4)	750,727	361,356
	790,810	395,131
NET ASSETS	475,503	675,195
	\$1,266,313	\$1,070,326

CENTRE FOR COMMUNITY BASED RESEARCH
STATEMENT OF OPERATIONS AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2025

(With comparative figures for the year ended March 31, 2024)

(The accompanying notes are an integral part of these financial statements)

	<u>2025</u>	<u>2024</u>
REVENUES		
Research contract fees and grants	370,065	991,859
Donations, interest and other income	32,575	27,031
	<u>402,640</u>	<u>1,018,890</u>
EXPENSES		
Salaries and benefits	533,297	619,196
Contract services	16,813	76,025
Office supplies and publications	27,123	30,662
Travel	3,491	10,355
Public relations and development	918	1,141
Telephone	3,210	4,040
Insurance	5,900	5,587
Equipment maintenance and software	4,507	3,110
Professional fees	7,073	7,101
	<u>602,332</u>	<u>757,217</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	(199,692)	261,673
NET ASSETS - beginning of the year	<u>675,195</u>	<u>413,522</u>
NET ASSETS - end of the year	<u>\$475,503</u>	<u>\$675,195</u>

CENTRE FOR COMMUNITY BASED RESEARCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(With comparative figures for the year ended March 31, 2024)

(The accompanying notes are an integral part of these financial statements)

SOURCES (USES) OF CASH:

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES:		
Excess (deficit) of revenues over expenses	(199,692)	261,673
Change in non-cash current assets and liabilities		
Investment (note 2)	(125,108)	(160,000)
Accounts receivable	61,420	76,985
Work in progress (note 3)	(158,483)	181,665
Prepaid expenses	(4,161)	(2,503)
Accounts payable	(1,124)	4,487
Government remittances payable	7,432	745
Funds held in trust	-	(1,800)
Deferred fees (note 4)	389,371	(315,989)
	(30,345)	45,263
INVESTING ACTIVITIES:	-	-
FINANCING ACTIVITIES:	-	-
CHANGE IN CASH FOR THE YEAR	(30,345)	45,263
CASH - beginning of the year	351,555	306,292
CASH - end of the year	\$321,210	\$351,555

CENTRE FOR COMMUNITY BASED RESEARCH

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

PURPOSE

The Centre for Community Based Research's (CCBR'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.

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

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

These financial statements have been prepared using Canadian Accounting Standards for Not-for-profit Organizations.

REVENUE RECOGNITION, DEFERRED FEES, WORK IN PROGRESS

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.

FINANCIAL INSTRUMENTS

A financial instrument is a contract that creates a financial asset for one entity and a financial liability or equity instrument of another. Financial assets and liabilities are initially measured at fair value, except for non-arm's length transactions, if any. All financial assets and financial liabilities are subsequently measured at amortized cost, except for investments in equity instruments with quoted fair values in an active market, if any, which are measured at fair value. Changes in fair value are recognized in net income. Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. Previously recognized impairment losses may be reversed to the extent of improvement. The amount of the reversal is recognized in net income. Transaction costs are recognized in net income in the period incurred, however, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origin, issuance or assumption.

CENTRE FOR COMMUNITY BASED RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

2. FINANCIAL INSTRUMENTS

			<u>2025</u>	<u>2024</u>
Financial assets reflected at amortized cost:				
	<u>Maturity</u>	<u>Rate</u>		
			-	-
Guaranteed Investment certificate	2025-04-03	4.90%	125,655	120,000
Guaranteed Investment certificate	2025-08-07	4.65%	204,913	100,000
Guaranteed Investment certificate	2025-08-07	5.10%	105,114	100,000
Total current investments			435,682	320,000
Guaranteed Investment certificate	2026-08-07	4.70%	104,713	100,000
Guaranteed Investment certificate	2027-08-07	4.70%	104,713	100,000
Total long-term investments			209,426	200,000
Total investments			645,108	520,000
Cash			321,210	351,555
Accounts receivable (excluding HST recoverable)			52,306	115,493
			\$1,018,624	\$987,048

There are no financial assets which have been adjusted to fair value subsequent to acquisition, nor any investments in equity instruments which are measured at cost less a reduction for impairment.

As in the prior year, management believes the organization does not face any significant credit, currency, interest rate, liquidity or market risk with respect to its financial instruments.

3. WORK IN PROGRESS

	<u>2025</u>	<u>2024</u>
Salaries, benefits, contract services	229,963	74,483
Other direct costs	5,178	2,176
	\$235,141	\$76,659

4. DEFERRED FEES

	<u>2025</u>	<u>2024</u>
Deferred research contract fees - opening (incomplete contracts)	361,356	677,345
Research contract fees - received during the year	759,436	675,870
Research contract fees - contracts completed during the year	(370,065)	(991,859)
Deferred research contract fees - closing (incomplete contracts)	\$750,727	\$361,356