COMMUNITY JUSTICE INITIATIVES
OF WATERLOO REGION
FINANCIAL STATEMENTS
MARCH 31, 2025

Approved on behalf of the Board:

Chairperson

Executive Director

INDEPENDENT AUDITOR'S REPORT

To the Directors of Community Justice Initiatives of Waterloo Region

Opinion

I have audited the financial statements of **Community Justice Initiatives of Waterloo Region**, 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 **Community Justice Initiatives of Waterloo Region** 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 organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I 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 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.

Auditor's 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 my 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 an 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 17, 2025
Waterloo, ON

E.M. Simon CPA Professional Corporation

Authorized to practise public accounting by the Chartered Professional Accountants of Ontario
1183 King Street East, suite #3, Kitchener, ON N2G 2N3
simon@simoncorp.ca Ph. (519) 744-1650

COMMUNITY JUSTICE INITIATIVES OF WATERLOO REGION

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 the financial statements)

	2025				2024			
ASSETS	**Operating Fund**	**Capital Fund**	**Operating Reserve Fund**	**Total**	**Operating Fund**	**Capital Fund**	**Operating Reserve Fund**	**Total**
CURRENT								
Cash	332,838	-	-	332,838	179,609	-	-	179,609
Investment (note 2)	-	-	251,077	251,077	-	-	240,635	240,635
Grants, contracts and HST receivable	80,779	-	-	80,779	156,620	-	-	156,620
Prepaid expenses	10,538	-	-	10,538	11,280	-	-	11,280
	$ 424,155	$ -	$ 251,077	$ 675,232	$ 347,509	$ -	$ 240,635	$ 588,144
LIABILITIES								
CURRENT								
Accounts payable and accrued	71,988	-	-	71,988	67,835	-	-	67,835
Government remittances payable	8,941	-	-	8,941	32,221	-	-	32,221
Deferred income (note 3)	281,463	-	-	281,463	153,440	-	-	153,440
	362,392	-	-	362,392	253,496	-	-	253,496
NET ASSETS								
Unrestricted	61,763	-	-	61,763	94,013	-	-	94,013
Investment in property and equipment	-	-	-	-	-	-	-	-
Internally restricted (note 1)	-	-	251,077	251,077	-	-	240,635	240,635
	61,763	-	251,077	312,840	94,013	-	240,635	334,648
	$ 424,155	$ -	$ 251,077	$ 675,232	$ 347,509	$ -	$ 240,635	$ 588,144

COMMUNITY JUSTICE INITIATIVES OF WATERLOO REGION

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 the financial statements)

	2025				2024			
	Operating Fund	Capital Fund	Operating Reserve Fund	Total	Operating Fund	Capital Fund	Operating Reserve Fund	Total
REVENUES								
Grants and contracts	1,004,180	-	-	1,004,180	1,046,638	-	-	1,046,638
United Way	71,000	-	-	71,000	67,000	-	-	67,000
Donations and fundraising	395,489	-	-	395,489	400,988	-	-	400,988
Fees and other income	156,802	-	10,442	167,244	187,813	-	11,203	199,016
	1,627,471	-	10,442	1,637,913	1,702,439	-	11,203	1,713,642
EXPENSES								
Wages, benefits and contract services	1,249,764	-	-	1,249,764	1,297,091	-	-	1,297,091
Purchased services	186,770	-	-	186,770	159,061	-	-	159,061
Office and facilities	159,139	5,529	-	164,668	177,605	4,424	-	182,029
Travel	11,683	-	-	11,683	9,499	-	-	9,499
Staff training	8,752	-	-	8,752	15,805	-	-	15,805
Program and events	27,023	-	-	27,023	33,857	-	-	33,857
Promotion and fundraising	11,061	-	-	11,061	15,631	-	-	15,631
	1,654,192	5,529	-	1,659,721	1,708,549	4,424	-	1,712,973
EXCESS (DEFICIT)	(26,721)	(5,529)	10,442	(21,808)	(6,110)	(4,424)	11,203	669
NET ASSETS - opening	94,013	-	240,635	334,648	104,547	-	229,432	333,979
Interfund transfers								
Capital expenses funded by Operating Fund	(5,529)	5,529	-	-	(4,424)	4,424	-	-
NET ASSETS - closing	$ 61,763	$ -	$ 251,077	$ 312,840	$ 94,013	$ -	$ 240,635	$ 334,648

COMMUNITY JUSTICE INITIATIVES OF WATERLOO REGION

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 the financial statements)

	2025				2024			
	Operating Fund	Capital Fund	Operating Reserve Fund	Total	Operating Fund	Capital Fund	Operating Reserve Fund	Total
SOURCES (USES) OF CASH:								
OPERATING ACTIVITIES:								
Excess (deficit) of revenues over expenses	(26,721)	(5,529)	10,442	(21,808)	(6,110)	(4,424)	11,203	669
Change in non-cash items:								
Investment (note 2)	-	-	(10,442)	(10,442)	-	-	(11,203)	(11,203)
Grants, contracts and HST receivable	75,841	-	-	75,841	4,666	-	-	4,666
Prepaid expenses	742	-	-	742	(1,186)	-	-	(1,186)
Accounts payable and accrued	4,153	-	-	4,153	7,678	-	-	7,678
Government remittances payable	(23,280)	-	-	(23,280)	(3,725)	-	-	(3,725)
Deferred income (note 3)	128,023	-	-	128,023	(51,103)	-	-	(51,103)
	158,758	(5,529)	-	153,229	(49,780)	(4,424)	-	(54,204)
INVESTING ACTIVITIES:								
Leasehold improvements	-	-	-	-	-	-	-	-
FINANCING ACTIVITIES:								
Interfund transfers	(5,529)	5,529	-	-	(4,424)	4,424	-	-
CHANGE IN FUNDS FOR THE YEAR	153,229	-	-	153,229	(54,204)	-	-	(54,204)
CASH - opening	179,609	-	-	179,609	233,813	-	-	233,813
CASH - closing	$ 332,838	$ -	$ -	$ 332,838	$ 179,609	$ -	$ -	$ 179,609

PURPOSE OF THE ORGANIZATION

Community Justice Initiatives of Waterloo Region (CJI) operates several programs designed to provide justice and healing through support, reconciliation and education. CJI is incorporated under the laws of Ontario as a not-for-profit organization and is a registered charity under the Income Tax Act, and as such, is exempt from income tax.

1. ACCOUNTING POLICIES

Basis of presentation

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

Fund accounting

CJI uses fund accounting to maintain its books and records. Fund accounting comprises the collective accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary action.

The **Operating Fund** reflects the assets, liabilities, revenues and expenses related to program delivery and administrative activities.

The **Capital Fund** reflects the assets, liabilities, revenues and expenses related to property and equipment.

The **Operating Reserve Fund** was established by the Board of Directors to ensure long-term financial stability and position the organization to respond to varying economic conditions. Investment income earned by this fund is retained within the fund.

Revenue recognition

CJI uses the restricted fund method to recognize revenue, whereby restricted contributions are recognized as revenue in the appropriate restricted fund, where one exists, and reflected as restricted net assets on the statement of financial position until spent as designated. Restricted contributions related to general operations are reflected as deferred income of the Operating Fund on the statement of financial position, and only recognized as revenue when the related expenses are incurred. All revenues are only recognized as received or receivable when amounts can be reasonably estimated and collection is reasonably assured.

Cash

Cash includes cash on hand plus amounts held in accounts at financial institutions.

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. CJI subsequently measures all its financial assets and financial liabilities 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. Any 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 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 origination, issuance or assumption.

2. FINANCIAL INSTRUMENTS

	2025	2024
Financial assets carried at fair value:		
Investment - RBC Canadian Money Market Funds	251,077	240,635
Financial assets carried at amortized cost:		
Cash	332,838	179,609
Accounts receivable (excluding HST recoverable)	70,914	143,583
	403,752	323,192
	$654,829	$563,827

As in the prior year, management believes the organization does face some market risk, in that, changes in investment markets can impact the value of investments held by the organization. As in the prior year, management believes the organization does not face any significant credit, currency, interest rate or liquidity risk with respect to any of its financial instruments.

3. DEFERRED INCOME

Deferred income represent grants and restricted donations which have yet to be spent as designated.

4. SERVICE CONTRACTS

CJI has service contracts with The Ministry of Children, Community and Social Services, the Ministry of Community Safety, and Correctional Services Canada for its Stride Program. A reconciliation report for each of these programs is prepared annually by service, reflecting all revenues and expenditures. Each of these reports shows no surplus or deficit for the current fiscal year.

5. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

CJI has a lease commitment with respect to its premises for the period April 1, 2025 to March 31, 2030 which requires monthly gross rental payments (common costs included) as follows:

Fiscal Year	Amount
2026	$ 46,200
2027	$ 51,786
2028	$ 53,340
2029	$ 54,941
2030	$ 56,590

6. MINISTRY OF JUSTICE AND ATTORNEY GENERAL OF CANADA

Enhancing Access to Restorative Justice: Building a Victim-Initiated Referral Community Project:	2025
Revenues	30,520
Expenses	
Salaries and benefits	25,750
Project delivery	-
Audit	1,500
Administration	3,270
	30,520
	$0

7. ECONOMIC DEPENDENCE

The organization receives a significant amount of funding for several programs from government sources. The continuance of many of the organization's programs in their present form is largely dependent on the continued receipt of funding from these or similar entities.