Justice Centre for Constitutional Freedoms
Financial Statements
December 31, 2025

To the Board of Justice Centre for Constitutional Freedoms:

Qualified Opinion

We have audited the financial statements of Justice Centre for Constitutional Freedoms (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations 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.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization and we were unable to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenue over expenditures, assets and net assets.

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 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 qualified opinion.

Other Matter

The financial statement for the year ended December 31, 2024 were audited by another auditor who expressed a qualified opinion on those statements on June 25, 2025 for the reasons described in the Basis for Qualified opinion paragraph.

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

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:

- 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.

Calgary, Alberta

June 30, 2026

MNP LLP

Chartered Professional Accountants

Justice Centre for Constitutional Freedoms
Statement of Financial Position
As at December 31, 2025

	2025	*2024*
Assets		
Current		
Cash	**2,941,127**	1,733,481
Short-term investments *(Note 3)*	**500,000**	-
Marketable securities	**-**	26,691
Accounts receivable	**437,285**	287,896
Prepaid expenses	**15,223**	24,288
Goods and Service tax receivable	**33,646**	30,989
	3,927,281	2,103,345
Capital assets *(Note 4)*	**23,121**	18,956
	3,950,402	2,122,301
Liabilities		
Current		
Accounts payable and accrued liabilities *(Note 5)*	**58,513**	105,264
Employee deductions payable	**4,289**	30,164
	62,802	135,428
Net Assets - Unrestricted	**3,887,600**	1,986,873
	3,950,402	2,122,301

Approved on behalf of the Board

Signed "Boris Rassin"
Director

Signed "Dan Wiebe"
Director

The accompanying notes are an integral part of these financial statements

Justice Centre for Constitutional Freedoms
Statement of Operations and Changes in Net Assets
For the year ended December 31, 2025

	2025	2024
Revenue		
Donations	**6,330,531**	5,171,097
Fundraising events	**98,527**	153,696
Sale of goods	**44,760**	4,194
	6,473,818	5,328,987
Expenditures		
Litigation program	**2,594,068**	3,046,563
Education program	**1,087,614**	777,994
Office	**393,004**	383,375
Advertising, promotion and fundraising	**321,383**	385,998
Interest and bank charges	**72,049**	54,865
Professional fees	**56,561**	73,895
Dues, subscriptions and insurance	**33,112**	10,675
Goods and Services Tax expense	**12,590**	56,985
Travel	**12,284**	11,741
Amortization	**7,425**	7,740
	4,590,090	4,809,831
Excess of revenue over expenditures before other items	**1,883,728**	519,156
Other items		
Interest and investment income	**17,274**	9,553
Foreign exchange loss	**-**	(694)
Unrealized (loss) gain on marketable securities	**(2,514)**	6,558
Gain (loss) on disposal of marketable securities	**2,239**	(171)
	16,999	15,246
Excess of revenue over expenditures	**1,900,727**	534,402
Net assets, beginning of year	**1,986,873**	1,452,471
Net assets, end of year	**3,887,600**	1,986,873

The accompanying notes are an integral part of these financial statements

Justice Centre for Constitutional Freedoms
Statement of Cash Flows
For the year ended December 31, 2025

	2025	*2024*
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenditures	**1,900,727**	534,402
Non-cash items		
Amortization	**7,425**	7,740
Unrealized loss (gain) on marketable securities	**2,514**	(6,558)
Gain (loss) on disposal of marketable securities	**(2,239)**	171
Donations in-kind of marketable securities	**(267,301)**	(120,261)
	1,641,126	415,494
Changes in working capital accounts		
Accounts receivable	**(149,389)**	(125,355)
Prepaid expenses	**9,065**	(6,418)
Goods and Service tax receivable	**(2,657)**	228,155
Accounts payable and accrued liabilities	**(46,751)**	40,699
Employee deductions payable	**(25,875)**	14,503
	1,425,519	567,078
Investing		
Proceeds on disposal of marketable securities	**293,717**	120,090
Purchase of capital assets	**(11,590)**	(5,376)
Purchase of short-term investments	**(500,000)**	-
	(217,873)	114,714
Increase in cash	**1,207,646**	681,792
Cash, beginning of year	**1,733,481**	1,051,689
Cash, end of year	**2,941,127**	1,733,481

1. Nature of the operations

Justice Centre for Constitutional Freedoms (the "Organization") is a not-for-profit organization incorporated federally under the Canada Corporation Act on October 4, 2010 and continued under the Canada Not-for-profit Corporations Act. As a registered charity, the Organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. In order to maintain its status as a registered charity under the Act, the Organization must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The mission of the Organization is to protect and promote Canada's core principles of freedom and equality through education and litigation.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Short-term investments

Short-term investments consist of term deposits with original maturities greater than three months and less than one year.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer equipment	30 %

Goods and Service Tax

Materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue in the year in which it was earned.

Contributions of marketable securities traded in an active market are recognized at their fair value at the time of contribution and then immeditaly disposed of. During the year, $267,301 (2024 - $120,061) in marketable securities were received and recognized with donation revenue.

Contributed materials and services

Contributions of materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased.

The Organization's Litigation Program benefits from pro bono legal assistance received from lawyers across Canada. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenditures in the years in which they become known.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenditures. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenditures.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenditures in the year the reversal occurs.

2. Significant accounting policies *(Continued from previous page)*

Customer's accounting for cloud computing arrangement

The Organization has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Organization recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, expenses of $32,214 (2024 - $17,455) have been recognized as Education program and dues, subscriptions and insurance.

Allocation of expenses

The Organization classifies its expenditures by program and operational activity. Expenditures are allocated among the Litigation Program, Education Program, fundraising activities, and administrative operations based on the type and nature of each expenditure.

3. Short-term investments

As at December 31, 2025, short-term investments consist of five term deposits (2024 - zero), bearing interest at 1.65%, maturing June 3, 2026.

4. Capital assets

	Cost	***Accumulated amortization***	***2025 Net book value***	*2024 Net book value*
Computer equipment	**52,214**	**29,093**	**23,121**	18,956

5. Accounts payable and accrued liabilities

	2025	*2024*
Trade payables	**37,513**	85,507
Accrued liabilities	**21,000**	19,757
	58,513	105,264

The Organization has a credit card with Scotiabank with a maximum authorized limit of $26,900 (2024 - $26,900). As at December 31, 2025, $25,558 (2024 - $25,525) was available for use.

6. Economic dependence

The Organization is economically dependent on the continued support of donors. In the current year, 98% (2024 – 97%) of total revenues were derived from donations. A significant reduction in fundraising results or donor support could impact the Organization's ability to continue providing its services.

7. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to other price risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investments in marketable securities traded in an active market.

8. Contingencies

The Organization has been named as defendant in two lawsuits. These lawsuits remain at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result.

9. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.