

**International Justice
Mission Canada**

Financial Statements
December 31, 2009

AUDITOR'S REPORT**To the Board of Directors of International Justice Mission Canada**

I have audited the statement of financial position of International Justice Mission Canada as at December 31, 2009 and the statements of operations and surplus and cash flow for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenue from donations and fundraising the completeness of which is not susceptible to satisfactory verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets or net assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the contributions referred to in the previous paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2009 and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

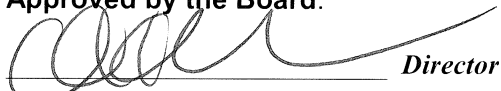
**Licensed Public Accountant***Dorchester, Ontario
April 15, 2010*

International Justice Mission Canada

Statement of Financial Position December 31, 2009

	2009	2008
	\$	\$
Assets		
Current assets		
Cash	363,678	63,062
Investment	200,259	50,170
Accounts receivable	5,030	74,938
Prepaid expenses	<u>6,006</u>	<u>31,823</u>
	<u>574,973</u>	<u>219,993</u>
 Liabilities and Net Assets		
Current liabilities		
Accounts payable	<u>31,095</u>	<u>28,181</u>
	31,095	28,181
 Net assets		
Surplus	<u>543,878</u>	<u>191,812</u>
	<u>574,973</u>	<u>219,993</u>

Approved by the Board:



Director



Lee Sutherland *Director*

International Justice Mission Canada

Statement of Operations and Surplus Year ended December 31, 2009

	Unrestricted	Temporarily Restricted	Total 2009	2008
	\$	\$	\$	\$
Revenue				
Donations	1,063,652	652,766	1,716,418	936,263
Sale of books and shirts	13,822	-	13,822	16,018
Fundraising events	33,778	-	33,778	8,764
Honoraria	12,915	-	12,915	14,283
Other	4,873	-	4,873	1,132
	1,129,040	652,766	1,781,806	976,460
Expenses (schedule)				
Education	372,924	-	372,924	217,733
Overseas / casework	97,704	631,823	729,527	426,173
Board expenses	16,033	-	16,033	10,353
Fund development	235,303	-	235,303	146,898
General	75,953	-	75,953	66,756
	797,917	631,823	1,429,740	867,913
Surplus for the year	331,123	20,943	352,066	108,547
Transfer to (from) funds	(200,000)	200,000	-	-
Surplus (deficit), beginning of year	285,060	(93,248)	191,812	83,265
Surplus, end of year	416,183	127,695	543,878	191,812

International Justice Mission Canada

Statement of Cash Flow Year ended December 31, 2009

	2009	2008
	\$	\$
Operating activities		
Surplus for the year	352,066	108,547
Changes in non-cash working capital	<u>98,639</u>	<u>(88,754)</u>
	450,705	19,793
Investing activities		
Change in investment	<u>(150,089)</u>	<u>(170)</u>
Increase to cash	300,616	19,623
Cash, beginning of year	<u>63,062</u>	<u>43,439</u>
Cash, end of year	<u>363,678</u>	<u>63,062</u>

International Justice Mission Canada

Notes to the Financial Statements
December 31, 2009

1. Purpose of the organization

International Justice Mission Canada is a non-profit organization incorporated without share capital under the Canada Corporations Act and is a registered charity under the provisions of the Income Tax Act. Its primary purpose is to pursue justice for the oppressed through casework and education initiatives.

2. Significant accounting policies

a) Revenue recognition policy

Contributions are recorded as unrestricted or temporarily restricted depending on the nature of any donor restrictions. Donor restricted contributions are reported as temporarily restricted support and are then reclassified to unrestricted net assets upon fulfillment of the restriction.

b) Accrual basis of accounting

These financial statements have been prepared in accordance with the accrual basis of accounting. Under this method, all revenue is recorded when earned and all expenses are recorded when incurred.

c) Contributed services

Volunteers contribute many hours each year to assist the organization in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

d) Capital assets

Capital assets are recorded at cost. Amortization is provided over the useful life of the assets at the following rates:

Furniture	7 years
Vehicles	5 years
Computer and office equipment	3 years
Software	5 years

There were no purchases in 2009 that met the criteria for capitalization.

e) Investment

Investment is classified as available-for-sale since the corporation does not intend to trade the investment for short-term profit making and has not elected to classify them as held-for-trading.

Unrealized holding gains and losses related to investment are excluded from net income and included in other comprehensive income until such gains or losses are realized or an other than temporary impairment is determined to have occurred.

f) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

g) Income taxes

The corporation claims exemption from taxes on income under the relevant provisions of the Income Tax Act.

3. Financial instruments

Cash, accounts receivable and accounts payable are reported at their carrying values on the Statement of Financial Position. Their fair values are equal to the carrying value due to their short term maturity dates.

4. Financial instruments risk

The corporation's activities expose it to a variety of financial risks. The corporation seeks to minimize potential adverse effects of these risks by establishing internal guidelines, maintaining an appropriate governance structure and by monitoring operations on a periodic basis.

(a) Credit risk

Credit risk arises from the potential that a party will not settle an obligation for full value. The corporation should not be exposed to any significant credit risk.

b) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The corporation is not exposed to any significant currency risk.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The corporation is exposed to interest rate risk on its investments.

(d) Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices other than those arising from interest rate or currency risk. The corporation is exposed to other price risk on its investments.

5. Comprehensive income and accumulated other comprehensive income

The corporation had no comprehensive income adjustment during the year and has no accumulated other comprehensive income at year-end. Accordingly, statements of Comprehensive Income and Accumulated Other Comprehensive Income are not included in these financial statements.

6. Changes in non-cash working capital

Changes in non-cash working capital in the Statement of Cash Flow are comprised as follows:

	2009	2008
	\$	\$
Accounts receivable	69,908	(70,014)
Prepaid expenses	25,817	(31,823)
Accounts payable	<u>2,914</u>	<u>13,083</u>
	<u>98,639</u>	<u>(88,754)</u>

7. Contractual obligation

Pursuant to a Contract for Services dated January 1, 2009 between International Justice Mission Canada and International Justice Mission, International Justice Mission Canada has agreed to pay \$795,000 (in U.S. dollars) for work to be completed by International Justice Mission in the period January 1, 2010 to December 1, 2010.

8. Commitments

On February 22, 2010, the corporation entered into a five year lease agreement effective May 1, 2010 for office space at 150 Dufferin Avenue, in London, Ontario. Lease payments are expected to average \$6,500 monthly during the term of the lease.

International Justice Mission Canada

Schedule of Temporarily Restricted Funds Year ended December 31, 2009

	Bolivia	SE Asia	India	Africa	Professional Development	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	(141,180)	39,195	2,864	439	5,434	(93,248)
Revenue	212,767	228,132	194,202	17,665	-	652,766
Expenditures	<u>313,466</u>	<u>184,011</u>	<u>101,318</u>	<u>30,872</u>	<u>2,156</u>	<u>631,823</u>
	(241,879)	83,316	95,748	(12,768)	3,278	(72,305)
Transfer from unrestricted	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Balance, end of year	<u>(41,879)</u>	<u>83,316</u>	<u>95,748</u>	<u>(12,768)</u>	<u>3,278</u>	<u>127,695</u>

International Justice Mission Canada

Schedule of Expenses
Year Ended December 31, 2009

	Program - Education \$	Program - Overseas Casework \$	Support - Board Expenses \$	Support - Fund Development \$	Support - General \$	Total 2009 \$	Total 2008 \$
Books and shirts for resale	14,733	-	-	3,642	-	18,375	18,163
Computer equipment	12,573	1,097	-	15,592	1,970	31,232	22,337
Conference registrations	187	-	-	176	-	363	870
Contract labour	20,459	50	40	1,011	779	22,339	31,683
Hosted events	32,706	344	1,433	29,862	-	64,345	21,145
Insurance	519	485	810	297	287	2,398	193
Office furniture	323	183	-	320	252	1,078	923
Office, postage and miscellaneous	15,347	1,640	705	14,583	22,092	54,367	43,962
Overseas ministry	913	644,188	-	-	-	645,101	281,097
Printing and reproduction	14,172	-	137	15,649	422	30,380	34,941
Professional fees	660	5,451	-	-	10,275	16,386	8,253
Rent	10,150	6,908	89	5,947	3,734	26,828	21,282
Telephone	4,805	1,316	333	3,488	2,452	12,394	9,677
Training	863	2,172	-	559	1,337	4,931	34,995
Travel	34,989	28,217	7,927	25,445	1,929	98,507	62,156
Wages and benefits	209,525	37,476	4,559	118,732	30,424	400,716	276,236
	<u>372,924</u>	<u>729,527</u>	<u>16,033</u>	<u>235,303</u>	<u>75,953</u>	<u>1,429,740</u>	<u>867,913</u>

This schedule is unaudited and provided for information purposes only.