

CENTER FOR JUSTICE & ACCOUNTABILITY

Financial Statements

For the Year Ended June 30, 2025

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Independent Auditor's Report

To the Board of Directors
Center for Justice & Accountability
San Francisco, California

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Center for Justice & Accountability (CJA), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CJA as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government 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 required to be independent of CJA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Summarized Comparative Information

We have previously audited CJA's June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 11, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.



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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CJA's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 CJA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CJA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026 on our consideration of CJA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CJA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CJA's internal control over financial reporting and compliance.

Clark Nuber P.S.

Certified Public Accountants
January 20, 2026

CENTER FOR JUSTICE & ACCOUNTABILITY

Statement of Financial Position

June 30, 2025

(With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 238,353	\$ 155,778
Grants and accounts receivable	877,095	495,131
Short-term investments	2,441,274	2,529,614
Prepaid expenses and other current assets	1,854	
Total Current Assets	<u>3,558,576</u>	<u>3,180,523</u>
Total Assets	<u>\$ 3,558,576</u>	<u>\$ 3,180,523</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 462,479	\$ 238,738
Accrued compensation	125,517	128,088
Deferred revenue		105,041
Total Current Liabilities	<u>587,996</u>	<u>471,867</u>
Total Liabilities	587,996	471,867
Net Assets:		
Without donor restrictions	2,970,580	2,606,389
With donor restrictions		102,267
Total Net Assets	<u>2,970,580</u>	<u>2,708,656</u>
Total Liabilities and Net Assets	<u>\$ 3,558,576</u>	<u>\$ 3,180,523</u>

See accompanying notes.

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**Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2025
(With Comparative Totals for 2024)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2025 Total</u>	<u>2024 Total</u>
Support and Revenue:				
Foundation grants	\$ 670,000	\$ -	\$ 670,000	\$ 910,000
Federal grants	4,088,944		4,088,944	2,620,129
Contributions	184,632		184,632	132,104
Fellowship revenue	100,000		100,000	100,000
Fundraising events	200,225		200,225	222,050
Investment return	106,161		106,161	113,734
Other income	6,440		6,440	116,566
Net assets released from restriction	102,267	(102,267)		
Total Support and Revenue	5,458,669	(102,267)	5,356,402	4,214,583
Expenses:				
Program services	4,623,811		4,623,811	3,360,507
General and administrative	263,569		263,569	401,295
Development and fundraising	207,098		207,098	177,586
Total Expenses Before Donated Services	5,094,478		5,094,478	3,939,388
Change in Net Assets Before Donated Services	364,191	(102,267)	261,924	275,195
Donated Services:				
Revenue	8,347,007		8,347,007	4,660,748
Expense	(8,347,007)		(8,347,007)	(4,660,748)
Change in Net Assets	364,191	(102,267)	261,924	275,195
Net assets, beginning of year	2,606,389	102,267	2,708,656	2,433,461
Net Assets, End of Year	\$ 2,970,580	\$ -	\$ 2,970,580	\$ 2,708,656

See accompanying notes.

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**Statement of Functional Expenses
For the Year Ended June 30, 2025
(With Comparative Totals for 2024)**

	Program	General and Administrative	Development and Fundraising	2025 Total	2024 Total
Salaries and wages	\$ 1,030,111	\$ 100,088	\$ 126,113	\$ 1,256,312	\$ 1,184,901
Employee benefits	201,182	39,890	19,269	260,341	220,879
Payroll taxes	82,400	8,101	10,080	100,581	90,669
Total salaries and related expenses	1,313,693	148,079	155,462	1,617,234	1,496,449
Consultant fees	2,484,642	73,385	19,012	2,577,039	1,609,032
Travel	727,263	2,888	5,562	735,713	685,757
Other	22,421	8,934	12,348	43,703	37,563
Dues, licenses, and memberships	30,618	19,602	13,200	63,420	60,192
Information technology	365	364		729	1,002
Office expenses	8,184	4,753	447	13,384	9,957
Insurance	14,603	5,369		19,972	27,398
Printing and publications	844	62	921	1,827	2,375
Conferences, conventions, and meetings	21,178	133	146	21,457	9,663
Total Expenses Before Donated Services	4,623,811	263,569	207,098	5,094,478	3,939,388
Donated services	8,347,007			8,347,007	4,660,748
Total Expenses	\$ 12,970,818	\$ 263,569	\$ 207,098	\$ 13,441,485	\$ 8,600,136

See accompanying notes.

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Statement of Cash Flows For the Year Ended June 30, 2025 (With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 261,924	\$ 275,195
Adjustments to reconcile change in net assets to net cash flows (used in) provided by operating activities-		
Realized gain on investments	(582)	(29,820)
Change in current assets and liabilities:		
Grants and accounts receivable	(381,964)	(209,409)
Prepaid expenses and other current assets	(1,854)	
Accounts payable	223,741	79,569
Accrued compensation	(2,571)	(4,714)
Deferred revenue	(105,041)	(97,086)
Net Cash (Used in) Provided by Operating Activities	(6,347)	13,735
Cash Flows From Investing Activities:		
Purchases of investments	(5,217,476)	(2,788,234)
Sales of investments	5,306,398	2,691,113
Net Cash Provided by (Used in) Investing Activities	88,922	(97,121)
Net Change in Cash and Cash Equivalents	82,575	(83,386)
Cash and cash equivalents, beginning of year	155,778	239,164
Cash and Cash Equivalents, End of Year	\$ 238,353	\$ 155,778

See accompanying notes.

CENTER FOR JUSTICE & ACCOUNTABILITY

Notes to Financial Statements For the Year Ended June 30, 2025 (With Comparative Totals for 2024)

Note 1 - Nature of Activities

The Center for Justice & Accountability (CJA) is a nonprofit public benefit corporation, incorporated in Washington, D.C. in 1998, and registered as a foreign nonprofit corporation in California, where it has its central operations. The mission of CJA is to deter torture and other severe human rights abuses around the world and advance the rights of survivors to seek truth, justice, and redress. CJA uses litigation and other legal mechanisms to hold perpetrators individually accountable for human rights abuses, develop human rights law, and advance the rule of law in countries transitioning from periods of abuse.

CJA integrates other innovative strategies to hold human rights abusers accountable. CJA pairs survivor-centered litigation with transitional justice projects, in which CJA works alongside lawyers and human rights defenders from impacted communities in joint case investigation and development. CJA engages in advocacy to ensure that there are legal remedies to hold human rights violators accountable, wherever they may be found.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets and revenues, along with gains and losses, are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of CJA and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - Net assets that are not subject to externally-imposed restrictions.

Net Assets With Donor Restrictions - Net assets subject to externally-imposed restrictions that will be met either by action of CJA or the passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets are limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without restrictions unless their use is restricted by explicit donor stipulation. Expirations of restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions with donor-imposed restrictions are recorded as net assets without donor restrictions if those restrictions are satisfied in the same reporting period.

Revenue Recognition From Grants, Contributions, and Fellowship Revenue - Revenue from contributions is recorded when the pledge to CJA is made. Revenue from unconditional contribution-type grants is recognized during the period for which it was awarded to CJA. Revenue from governmental grants and conditional contribution-type grants which contain certain conditions related to the incurrence of allowable costs are recognized when the condition is met. Any cash received for revenues where conditions have not yet been met is reported as deferred revenue. At June 30, 2025 and 2024, CJA had approximately \$4,624,000 and \$9,051,000 in grants awarded where conditions had not yet been met of which, none had been received in advance for the year ended June 30, 2025. At June 30, 2024, \$105,041 had been received in advance.

CJA has awarded conditional grants to subrecipients related to performance of these government grants, which have outstanding commitments of up to approximately \$1,679,000 and \$3,048,000 as of June 30, 2025 and 2024, respectively.

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Notes to Financial Statements For the Year Ended June 30, 2025 (With Comparative Totals for 2024)

Note 2 - Continued

Cash and Cash Equivalents - Cash and cash equivalents consist of amounts on hand and on deposit with a commercial bank and financial institution, available on demand. These amounts include monies in bank checking and money market accounts, which are neither held for nor restricted by donors for long-term purposes. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Grants and Accounts Receivable - Grants and accounts receivable are stated at the amount management expects to collect from outstanding balances. CJA evaluates the collectability of its receivables on an ongoing basis and records a provision for potential uncollectible receivables when appropriate. At June 30, 2025 and 2024, CJA has determined that all receivables are fully collectible and therefore has not recorded an allowance for doubtful accounts. All grants and accounts receivable as of June 30, 2025 and 2024 are collectible within one year.

Short-Term Investments - Short-term investments consist of certificates of deposit and cash held with the investment firm which are stated at fair value. The certificates have interest rates ranging from 3.65% to 4.50% for 2025. CJA classifies certificates of deposit with an initial term of over 90 days and cash held with the investment firm as short-term investments.

Donated Services - CJA receives donated services that meet the criteria for recognition under current accounting standards under generally accepted accounting principles in the United States and are reflected in the accompanying financial statements at their fair values at the time of donation. Fair value is determined based on observable market prices for similar services or the fee that would normally be paid had the services not been donated.

CJA recognizes contributed nonfinancial services in donated services revenue, which is comprised of donated legal services. Unless otherwise noted, contributed nonfinancial assets do not have donor restrictions.

CJA partners with outside attorneys, law firms, and investigative support firms to investigate and litigate cases on behalf of clients. These pro-bono partners donate time of attorneys and staff in addition to paying out of pocket expenses associated with the cases. No donor restriction pro-bono services or out of pocket expenses were noted for the years ended June 30, 2025 and 2024. Donated legal services are used in program activities. CJA calculates the value of donated services using the hours spent, hourly rates, and expense amounts provided by the pro-bono partners.

Risks and Concentrations - CJA manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be credit worthy. On occasion, CJA may have amounts deposited with a financial institution in excess of federally insured limits.

For the year ended June 30, 2025, 63% of CJA's revenue came from two donors. For the year ended June 30, 2024, 65% of CJA's revenue came from three donors.

Investments are subject to credit and market risks. Credit risk is the probability that parties holding or supporting an investment will default or otherwise fail to perform. Market risk is the inherent change in the value of an investment due to changes in conditions.

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Notes to Financial Statements For the Year Ended June 30, 2025 (With Comparative Totals for 2024)

Note 2 - Continued

Tax Exemption Status - The Internal Revenue Service has determined that CJA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax is reflected in these financial statements.

Allocation of Functional Expenses - The costs of program activities and supporting services have been summarized on a functional basis in the statement of functional expenses. The statement presents the natural classification of detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Indirect costs such as general and administrative expenses include costs that are not directly identifiable with any specific program, but which provide the overall support and direction of CJA. All expense categories, excluding donated services, have been allocated among the various functions benefited based upon personnel time records.

Prior Year Summarized Financial Information - The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Estimates - In preparing financial statements in conformity with U.S. GAAP, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates under different assumptions.

Reclassification - Certain reclassifications have been made to prior year accounts to conform to the presentation in the current year financial statements. The reclassifications have no effect on the previously reported change in net assets or net asset balances.

Subsequent Events - CJA has evaluated subsequent events through January 20, 2026, the date on which the financial statements were available to be issued.

Note 3 - Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

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**Notes to Financial Statements
For the Year Ended June 30, 2025
(With Comparative Totals for 2024)**

Note 3 - Continued

Level 3 - Unobservable inputs that are significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Certificates of Deposit - Brokered certificates of deposit are valued using quoted market prices in active markets for similar instruments.

Fair values of CJA's short-term investments in certificates of deposits totaling \$1,797,042 and \$2,397,095 at June 30, 2025 and 2024, respectively, are determined using Level 2 inputs. CJA's investments also include \$644,232 and \$132,519 in cash equivalents as of June 30, 2025, and June 30, 2024, respectively.

Note 4 - Employee Benefit Plan

CJA offers all of its employees a retirement plan under section 403(b) of the Internal Revenue Code. CJA matches four percent of employees' salary and wages. The employer match for the years ended June 30, 2025 and 2024 was \$34,892 and \$36,172, respectively.

Note 5 - Net Assets Without Donor Restrictions

Net assets without donor restrictions were as follows at June 30:

	<u>2025</u>	<u>2024</u>
Board-designated general operating reserve	\$ 600,000	\$ 600,000
Undesignated	<u>2,370,580</u>	<u>2,006,389</u>
Net Assets Without Donor Restrictions	<u><u>\$ 2,970,580</u></u>	<u><u>\$ 2,606,389</u></u>

Disbursements from the board-designated fund must meet certain criteria and be approved by the Board.

Note 6 - Net Assets With Donor Restrictions

There were no net assets with donor restrictions at June 30, 2025. Net assets with donor restrictions consisted of \$102,267 restricted for purpose at June 30, 2024.

There were no net assets released from time restrictions during the year ended June 30, 2025. Net assets released from time restrictions totaled \$650,000 for the year ended June 30, 2024. Net assets released from purpose restrictions totaled \$102,267 and \$157,733 for the years ended June 30, 2025 and 2024, respectively.

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**Notes to Financial Statements
For the Year Ended June 30, 2025
(With Comparative Totals for 2024)**

Note 7 - Liquidity and Availability of Financial Assets

CJA has a goal to maintain financial assets, which consist of cash and equivalents, grants and accounts receivable, and short-term investments, on hand to meet 60 days of normal operating expenses. CJA structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Financial assets-		
Cash and cash equivalents	\$ 238,353	\$ 155,778
Grants and accounts receivable due within one year	877,095	495,131
Short-term investments	<u>2,441,274</u>	<u>2,529,614</u>
Total financial assets	3,556,722	3,180,523
Less amounts not available to meet general expenditures-		
Board designated funds	(600,000)	(600,000)
Net assets with donor restrictions		<u>(102,267)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 2,956,722</u></u>	<u><u>\$ 2,580,523</u></u>