

Financial Statements of

**UNITED WAY ELGIN
MIDDLESEX**

And Independent Auditor's Report thereon

Year ended March 31, 2024



KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To the Directors of United Way Elgin Middlesex

Opinion

We have audited the financial statements of United Way Elgin Middlesex (the Entity), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of fund revenue and expenses for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024 and its results of operations, its changes in fund balances and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 auditor's report.

We are independent of the Entity 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 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.



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In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.



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- 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

London, Canada

June 26, 2024

UNITED WAY ELGIN MIDDLESEX

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,283,793	\$ 2,432,209
Cash and cash equivalents - restricted (note 10)	237,231	509,426
Short-term investments (note 6)	2,191,360	1,950,866
Pledges receivable (note 2)	2,547,128	2,941,412
Other assets	102,698	69,727
Government remittances receivable	22,160	23,305
	<u>7,384,370</u>	<u>7,926,945</u>
Property and equipment (note 3)	409,188	321,987
	<u>\$ 7,793,558</u>	<u>\$ 8,248,932</u>

Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accruals (note 9)	\$ 4,371,374	\$ 4,925,959
Project funds (note 10)	237,231	509,426
Designations payable	111,616	97,599
Deferred revenue (note 11)	237,378	242,483
	<u>4,957,599</u>	<u>5,775,467</u>
Fund balances:		
Operating	878,123	868,135
Internally restricted	1,957,836	1,605,330
	<u>2,835,959</u>	<u>2,473,465</u>
	<u>\$ 7,793,558</u>	<u>\$ 8,248,932</u>

See accompanying notes to financial statements.

On behalf of the Board:

DocuSigned by:
Colin Housie
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Director

27-06-24

DocuSigned by:

Maly Bun-Hebert
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Director

05-07-24

UNITED WAY ELGIN MIDDLESEX

Statement of Fund Revenue and Expenses

Year ended March 31, 2024, with comparative information for 2023

	Operating Fund	Internally restricted Property/ Equipment Fund	2024 Total	2023 Total
Revenue:				
Net donations, grants and special events (note 4)	\$ 7,250,122	\$ -	\$ 7,250,122	\$ 7,371,908
One-time funding	2,091,458	-	2,091,458	39,627
Investment income	274,148	-	274,148	189,836
Unrealized gain (loss) on investments	170,301	-	170,301	(109,609)
Other income	32,558	-	32,558	106,751
	<u>9,818,587</u>	<u>-</u>	<u>9,818,587</u>	<u>7,598,513</u>
Community investments:				
Community fund (note 7)	4,205,000	-	4,205,000	4,661,000
One-time funding (note 7)	2,002,725	-	2,002,725	1,600
Donor directed funds	374,964	-	374,964	411,768
Strategic investments (note 13)	292,231	-	292,231	244,552
United Way community services (note 14)	877,477	13,488	890,965	737,448
	<u>7,752,397</u>	<u>13,488</u>	<u>7,765,885</u>	<u>6,056,368</u>
Excess (deficiency) of revenue over community investments	2,066,190	(13,488)	2,052,702	1,542,145
Other expense:				
Fundraising and administrative (note 15)	(1,665,159)	(25,049)	(1,690,208)	(1,495,608)
Excess (deficiency) of revenue over expenses	\$ 401,031	\$ (38,537)	\$ 362,494	\$ 46,537

See accompanying notes to financial statements.

UNITED WAY ELGIN MIDDLESEX

Statement of Changes in Fund Balances

Year ended March 31, 2024, with comparative information for 2023

	Operating fund	Internally restricted			2024
		Strategic, Contingency & Stability fund	Property/ Equipment fund	Total	
Fund balances, beginning of year	\$ 868,135	\$ 1,283,343	\$ 321,987	\$ 1,605,330	\$ 2,473,465
Excess (deficiency) of revenue over expenses	401,031	-	(38,537)	(38,537)	362,494
Property and equipment additions	(125,738)	-	125,738	125,738	-
Transfer between funds	(265,305)	265,305	-	265,305	-
Fund balances, end of year	\$ 878,123	\$ 1,548,648	\$ 409,188	\$ 1,957,836	\$ 2,835,959

	Operating fund	Internally restricted			2023
		Strategic, Contingency & Stability fund	Property/ Equipment fund	Total	
Fund balances, beginning of year	\$ 776,822	\$ 1,294,947	\$ 355,159	\$ 1,650,106	\$ 2,426,928
Excess (deficiency) of revenue over expenses	85,780	-	(39,243)	(39,243)	46,537
Property and equipment additions	(6,071)	-	6,071	6,071	-
Transfer between funds	11,604	(11,604)	-	(11,604)	-
Fund balances, end of year	\$ 868,135	\$ 1,283,343	\$ 321,987	\$ 1,605,330	\$ 2,473,465

See accompanying notes to financial statements.

UNITED WAY ELGIN MIDDLESEX

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Operating activities:		
Excess of revenues over expenses	\$ 362,494	\$ 46,537
Items not involving cash:		
Amortization of property and equipment	38,537	39,243
Unrealized gain (loss) on investments	(170,301)	109,609
Pledges receivable	394,284	364,345
Other assets	(32,972)	(21,327)
Government remittances receivable	1,145	(1,125)
Accounts payable and accruals	(554,586)	(110,165)
Project funds	(272,195)	219,051
Designations payable	14,017	(10,360)
Deferred revenue	(5,105)	(28,965)
	(224,682)	606,843
Investing activities:		
Property and equipment additions	(125,738)	(6,071)
Reinvestment of short-term investments	(70,191)	(69,420)
Increase (decrease) in cash and cash equivalents - restricted	272,195	(219,051)
	76,266	(294,542)
Increase (decrease) in cash and cash equivalents	(148,416)	312,301
Cash and cash equivalents, beginning of year	2,432,209	2,119,908
Cash and cash equivalents, end of year	\$ 2,283,793	\$ 2,432,209

See accompanying notes to financial statements.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements

Year ended March 31, 2024

United Way Elgin Middlesex (the "United Way") is incorporated under the laws of Ontario as a corporation without share capital and is a registered charity under the Income Tax Act.

Our vision: A community where everyone matters.

Our mission: We mobilize the power of our community to create lasting change.

1. Significant accounting policies:

The financial statements of United Way have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and reflect the following significant accounting policies:

(a) Fund accounting:

The financial statements separately disclose the activities of the following funds:

Operating Fund

The Operating Fund represents the excess of revenue over expenditures related to ongoing programs and activities. All agency allocations, strategic investments funded from the annual campaign and United Way agency itself are financed from this fund. In order to sustain operations, the United Way has a policy in place to maintain a three-month minimum of the following years' operating expenses in this fund.

Property/Equipment Fund

The Property/Equipment Fund represents grants received and funds allocated by United Way for the premises and equipment used in its operations. The balance in this fund represents the net investment in property and equipment.

Strategic, Contingency & Stabilization Fund

The Strategic, Contingency & Stabilization Fund represents funds set aside to cover contingencies, such as shortfalls, which may occur in future campaigns, as well as funding new programs to deal with emerging community issues. During the year, United Way transferred \$265,305 (2023 - \$11,604 transfer from) into the Strategic, Contingency & Stabilization Fund in accordance with United Way's Strategic, Contingency & Stabilization Fund policy.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash and short-term investments with maturities of twelve months or less from the date of acquisition.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(c) Financial instruments:

Financial assets and financial liabilities are initially recognized at fair value when United Way becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for; investments in listed shares, which are measured at fair value at the statement of financial position date. The fair value of listed shares is based on the latest closing price.

Interest earned on short-term investments and guaranteed investment certificates are included in investment income in the statement of fund revenue and expenses.

With respect to financial assets measured at cost or amortized cost, United Way recognizes in excess (deficiency) of revenue over expenses as an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to excess (deficiency) of revenue over expenses in the period the reversal occurs.

(d) Property and equipment:

Purchased assets are recorded at cost and are capitalized in the Property/Equipment fund and are amortized on a straight-line basis at the following annual rates:

Asset	Rate
Building	2.5%
Furniture and equipment	10% - 33.3%

Amortization is not charged to operations but is recorded annually as a reduction of the fund balance in the Property/Equipment fund.

(e) Use of estimates:

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the allowance for uncollectible pledges and the useful lives of property and equipment. Actual results could differ from these estimates.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(f) Revenue recognition:

Contributions

The restricted fund method is used to account for contributions. Restricted contributions for which a corresponding restricted fund is present are recognized as revenue of that fund in the year in which they are received. Restricted contributions for which no corresponding restricted fund is present are recognized in the Operating Fund in accordance with the deferral method. Under the deferral method, the contribution for which the related restrictions remain unfulfilled are accumulated as deferred contributions or as project funds. Unrestricted contributions are recognized as revenue in the Operating Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income

Investment income includes dividends, interest, income distributions from pooled funds, realized gain/losses and the net change in unrealized gain/losses for the year and is recognized on an accrual basis.

Contributed materials and services

Because of the difficulty in determining their fair value, donated materials and contributed services are not recognized in the financial statements.

Designated donations

Designated donations for United Way that have not been disbursed at year end are recorded as designations payable on the statement of financial position. Upon disbursement, the payment is recorded as an expense and the donation is recorded as campaign revenue.

Restricted donations

Donations restricted for a specific purpose that have not been spent at the end of the year are recorded as deferred revenue on the Statement of Financial Position. They are recognized as revenue when distributed.

(g) Fundraising and other expenses:

Fundraising and other expenses are recorded as expenses when incurred.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(h) Allocation to agencies:

Allocations to agencies are recognized as an expense in the year in which the allocations are approved by the Board of Directors, which coincides with the recognition of the revenue from which the allocations are made.

(i) Calculation of cost revenue ratios:

In accordance with United Way Canada's Transparency, Accountability and Financial Reporting policies, United Way calculates the cost revenue ratio's ("CRR") at 22.5% (2023 - 19.7%) as the percentage of fundraising and administrative expenses of \$1,690,208 (2023 - \$1,495,608) to total revenue, before pledge loss, of \$7,496,122 (2023 - \$7,577,873).

Upon adding back the Community Services Recovery Fund ("CSRF"), which is non-recurring in nature, and received from the Federal Government, the CRR has been revised to 17.6% (2023 - 19.6%) as the percentage of fundraising costs of \$1,690,208 (2023 - \$1,495,608) to total revenue, before pledge loss of \$9,587,580 (2023 - \$7,617,500).

(j) Allocation of expenses:

General management and administrative expenses are allocated between fundraising expenses and community services based on effort at 65% and 35% respectively (2023 - 65% and 35%).

(k) Flow through of Receivables and Payables:

United Way receives flow-through funding from other United Ways in Canada to be allocated to various community funds. These are reported gross in Pledges receivables and Accounts payable and accruals on the Statement of Financial Position, but do not impact the Statement of Fund Revenue and Expenses.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Pledges receivable:

	2024	2023
Prior year:		
Pledges receivable	\$ 105,842	\$ 11,812
Allowance for doubtful pledges	(26,460)	(2,872)
	79,382	8,940
Current year:		
Pledges receivable	2,683,270	3,187,474
Allowance for doubtful pledges	(215,524)	(255,002)
	\$ 2,547,128	\$ 2,941,412

3. Property and equipment:

	2024		2023	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 70,000	\$ -	\$ 70,000	\$ 70,000
Building	703,107	408,287	294,820	203,772
Furniture and equipment	586,375	542,007	44,368	48,215
	\$ 1,359,482	\$ 950,294	\$ 409,188	\$ 321,987

The land and certain buildings were gifted to United Way in 1976. Property and equipment are amortized over their respective estimated lives. Amortization expense of \$38,537 (2023 - \$39,243) is allocated within the United Way community services expense and fundraising and administrative expense in the Statement of Fund Revenue and Expenses.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

4. Net donations, grants and special events:

United Way participates in a few projects in addition to providing funding for its funded agencies. While funding for these agencies comes mainly from the annual campaign, other sources of funding are solicited for other projects in which it participates. Revenue is recognized in the year where related agency funding is paid or community projects costs have been incurred.

Annual campaign

The revenue reported for the year ended March 31, 2024 reflects the campaign which was held in the fall of 2023. Campaign revenue includes commitments from individuals, workplaces and corporations. For a number of reasons, not all pledged donations are ultimately received and a pledge loss results. Campaign revenue raised provide the funding for the allocations that will be paid to funded agencies during the year ended March 31, 2025.

Special Events

Several special events, such as the Harvest Lunch, StairClimb and Day of Caring, are held with the intent to raise the profile and to support the objectives of the United Way without the intent to raise funds. Total revenue from these events was \$100,800 (2023 - \$128,628) offset by expense of \$89,054 (2023 - \$98,208).

Planned Giving

United Way also operates a Planned Giving program to encourage bequests to the United Way.

Other Funded Projects

United Way acts as administrator for other programs which are generally funded by various levels of government or community funding organizations. These programs generally have a life span of between six months and three years and focus on specific or emerging issue(s) in the community. United Way provides the infrastructure for these programs and can provide management and expertise when required.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

4. Net donations, grants and special events (continued):

One-time funding

In Fiscal 2024, via the Community Services Recovery Fund ("CSRF"), United Ways across Canada helped the Government of Canada administer, manage and invest in local charities and non-profits. CSRF was provided to help charities and non-profits focus on pandemic recovery. United Way Elgin Middlesex received \$1,902,725 to distribute to local charities and non-profits. An additional \$88,733 was earned revenue to administer the program from funding previously received from the Federal Government. Other one-time funding included the disbursement of funds previously received from a local Foundation to support a specific one-time program. Total one time funding is \$2,091,458 (2023 - \$39,627).

	2024 Donations and grants	2023 Donations and grants
Annual campaign:		
Donations	\$ 6,585,024	\$ 7,262,953
Special events revenue	100,800	128,628
Actual achievement	6,685,824	7,391,581
Subsequent donations	126,935	123,638
Less: Pledge loss	(246,000)	(205,965)
	6,566,759	7,309,254
Other campaign:		
Planned Giving	584,000	5,000
Funded projects:		
Other	99,363	57,654
	\$ 7,250,122	\$ 7,371,908

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

4. Net donations, grants and special events (continued):

	2024 Donations and grants	2023 Donations and grants
Donations received through donations and grants	\$ 6,678,691	\$ 6,840,781
Donations from Centrally Coordinated Campaigns:		
United Way Calgary	17,283	7,437
United Way Guelph	2,300	-
United Way of Greater Montreal	15,416	21,539
United Way of Winnipeg	346,575	301,661
United Way Ottawa	28,987	110,909
United Way Toronto	160,870	89,581
	\$ 7,250,122	\$ 7,371,908

Donations received from Centrally Coordinated Campaigns

Funds from other United Way's Centrally Coordinated Campaigns ("CCC") are donations from local workplaces where the head office is located elsewhere, usually in a major city. The United Way in that major area processes the donations and flows them to the local United Way. The above table separates donations processed locally and those processed under the "CCC" agreements.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

5. London Community Foundation:

Forever Fund

The 1997 United Way contributed its endowment fund to the London Community Foundation by way of a “specified gift” as defined by Canada Revenue Agency. The contribution created the “Forever Fund” which received a matching contribution from the Lawson Foundation Challenge Grant program. As a result of this transaction, United Way conveyed legal title over the Fund to the London Community Foundation but has access to the Fund by way of loans to an extent of 25% of the Fund’s capital value. In addition, United Way is entitled to the net investment income earned by the Fund, which is used towards community programs.

Investment income includes both unrealized and realized income in the fiscal year totaling \$128,702 (2023 - \$8,750) for the period ending March 31, 2024. The fair value of the Fund at March 31, 2024, approximates \$1,288,014 (2023 - \$1,221,484).

Stability Fund

In 2006, the Board approved the creation of “United Way of London & Middlesex Stability Fund”, to be managed by the London Community Foundation. The initial contribution of \$50,000 to the Fund was by way of a “specified gift” as defined by Canada Revenue Agency. As a result of this transaction, United Way conveyed legal title over the Fund to the London Community Foundation but has access to the full value of the Fund in the event of a “hardship” as defined in the agreement. The fair value of the Fund at March 31, 2024, approximates \$188,435 (2023 - \$171,401).

Investment income earned on the Fund to March 31, 2024 is \$18,809 (2023 - \$1,340) which includes both realized and unrealized income during the 12-months ended March 31, 2024 on the Stability Fund held by the London Community Foundation.

6. Short-term investments:

Short-term investments consist of the Highstreet balanced pooled fund with a market value of \$2,191,360 (2023 - \$1,950,866) and a book value of \$1,771,114 (2023 - \$1,698,478). The Highstreet investment is available for redemption on demand.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments:

United Way Elgin Middlesex has several distinct streams through which it supports needed human care services and addresses the community's most urgent social issues. Funding decisions are guided by:

- United Way's Mission, Values and Principles;
- United Way's Ends Policy;
- Community Impact Agenda;
- Ongoing relevant research about community needs, problems and issues;
- Commitment to serve the citizens of both the City of London and the County of Elgin and Middlesex;
- Availability of resources.

Community Fund

This fund is built up with donations from thousands of donors during the annual campaign. The process for determining funding allocations is through the Planning and Allocations volunteer structure in accordance with the following board established priorities, criteria and financial parameters:

- Provides funding to services that meet ongoing needs through funded agencies;
- Provides funding for ongoing operating expenses and recognizes that there are administrative costs to providing quality, well-managed services;
- Must meet United Way funding criteria;
- Is a contractual relationship through the terms of the United Way/Funded Agency Agreement.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

During the current year, the Community fund allocations were as follows:

	2024
From Poverty to Possibility:	
Atlohsa Family Healing Services Inc. - Community Needs and Transportation Fund	\$ 100,000
CMHA Thames Valley - AMHS - My Sisters' Place/London Coffee House	200,000
CMHA Thames Valley - AMHS - Street Level Women at Risk	135,000
Crouch Neighbourhood Resource Centre - Crouch Neighbourhood Basic Needs and Support Services	60,000
Glen Cairn Community Resource Centre - London Good Food Program	60,000
John Howard Society of London and District - Breaking the Cycle of Post-Incarceration Homelessness (BCT Program)	175,000
London Cares Homeless Response Services - Housing Stability Program for Highly Marginalized People Experiencing Homelessness	130,000
London Food Coalition INC. - London Food Coalition RAMP UP!	50,000
LUSO Community Services - Neighbourhood Support Services	80,000
Meals on Wheels London - Meal Subsidies for Londoners In-Need	50,000
Northwest London Neighbourhood Resource Centre - NWLRC Support Services	80,000
Ontario Living Wage Network - Education and Promotion	5,000
Pathways Employment Help Centre - The Advocacy Centre	180,000
South London Neighbourhood Resource Centre - SLNRC Support Services	100,000
Southwest Ontario Aboriginal Health Access Centre (SOAHAC) - Minomode-Zewin Nundge-Gehwin (Healthy Way of Eating)	150,000
The Family Central Apartments - The Family Central Food Security Program	25,000
The INN - Housing Harmony Initiative	80,000
Unity Project for Relief of Homelessness in London - Housing Stability Program	130,000
West Elgin Community Health Centre - Gift-a-Ride program	12,000
WILL Counselling and Training for Employment - WILL Immploy Mentorship Program	50,000
Youth Opportunities Unlimited - YOU Strathroy	135,000
YWCA St Thomas - Elgin - Housing Stability and Homelessness Prevention Programs	80,000
	2,067,000

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

All That Kids Can Be:

Big Brothers Big Sisters of London and Area - One Big, One Little - A mentoring program	100,000
Big Brothers Big Sisters of London and Area - Youth Advisory Council	29,000
Big Brothers Big Sisters of St. Thomas-Elgin - Community Based Mentoring/Youth Support	25,000
Boys and Girls Club of London - A Place Where All Children Belong	125,000
Boys and Girls Club of London - My Action Plan to Education & Enrichment Activities	142,000
Elgin-St. Thomas Youth Employment Counselling Centre - Ignite Youth Centre	25,000
Learning Disabilities Association of London Region - Services for children, youth and families	120,000
Stevenson Children's Camp Foundation - Overnight Camp Program	80,000
	646,000

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

A Strong Community with Resilient and Healthy People:

Across Languages Translation and Interpretation Service - Community Interpreter Access Program (CIAP)	50,000
Changing Ways (London) Inc. - Being the Change	95,000
Changing Ways (London) Inc. - Caring Dads	95,000
Community Living London - Volunteer Services	70,000
Daya Counselling Centre - Subsidized Counselling Program	200,000
Family Service Thames Valley - Community Counselling Program	200,000
John Howard Society of London and District - Counselling Program	200,000
London Abused Women's Centre - Survivors to Thrivers	22,000
London InterCommunity Health Centre - Women of the World (WOW)	50,000
Muslim Resource Centre for Social Support and Integration - Social Support System Navigators	50,000
N'Amerind (London) Friendship Centre, Inc. - Indigenous Families First Program	185,000
Rainbow Optimist (Gender Equality Coalition of Ontario) - Trans and Gender-Diverse Inclusive Safe Space and Community Hub	95,000
St. Thomas - Elgin Second Stage Housing - Children/Family Support Program	60,000
WeBridge Community Services - Let's Parent Together Program	25,000
Women's Rural Resource Centre of Strathroy & Area - Children's Program	95,000
	1,492,000
	\$ 4,205,000

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

During the prior year, the Community fund allocations were as follows:

	2023
From Poverty to Possibility:	
Across Languages - Community Interpreter Access Program	\$ 40,000
CMHA and Mental Health Services - Outreach Programs (My Sister's Place/Coffee House)	200,000
Crouch Neighbourhood Resource Centre - Neighbourhood Support Services	55,000
Family Service Thames Valley - Counselling Services	250,000
Glen Cairn Community Resource Centre - Family and Basic Needs	60,000
London Cares Homeless Response Services - Housing Stability Program	125,000
LUSO Community Services - Neighbourhood Basic Needs & Community Support	60,000
March of Dimes Canada - Assistive Devices Program	80,000
Meals on Wheels London - Meal Subsidy Program	40,000
Muslim Resource Centre - Muslim Family Support Services	60,165
Northwest London Resource Centre - Northwest London Support Services	55,000
Ontario Living Wage Network - Education and Promotion	5,000
Pathways Employment Help Centre - Advocacy Services	180,000
South London Neighbourhood Resource Centre - Basic Needs and Community Meals Support	75,000
Southwest Ontario Aboriginal Health Access Centre (SOAHAC) - Ashamaawaso (she/he feeds a child) Food Security Program	146,640
Southwest Ontario Aboriginal Health Access Centre (SOAHAC) - Sustain food insecurity and basic needs program	96,400
The INN (Inn Out of the Cold St. Thomas-Elgin) - Basic Needs Acquisition, Provision and Coordination Program	75,000
Unity Project for Relief of Homelessness - Housing Stability Program	125,000
West Elgin Community Health Centre - Gift a Ride	9,000
WIL Counselling & Training for Employment - Immploy Mentorship Program	50,000
Youth Opportunities Unlimited - Youth Action Centre	100,000
Youth Opportunities Unlimited - Next Wave Youth Centre	125,000
YWCA St. Thomas-Elgin - Housing Stability & Homelessness Prevention	66,410
	2,078,615

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

All That Kids Can Be:

BGC London (Boys & Girls Club of London) - Children & Youth - Recreation, Social Skills & Nutrition	75,000
BGC London (Boys & Girls Club of London) - Children & Youth - Education & Leadership	150,000
Big Brothers Big Sisters of London and Area - One Big, One Little - A mentoring program	200,000
Big Brothers Big Sisters St. Thomas Elgin - Community Based Mentoring Program	20,000
Crouch Neighbourhood Resource Centre - Neighbourhood Child, Youth & Family Services	55,000
Elgin St. Thomas Youth Employment Counselling Centre - Ignite Youth Centre	22,000
Glen Cairn Community Resource Centre - Child and Youth Program	25,000
Learning Disabilities Association of London Region - Services for children, youth and families	120,000
LUSO Community Services - Neighbourhood Child & Youth Services	56,838
Merrymount Children's Centre - Mutual Aid Parenting Program	100,000
Northwest London Resource Centre - Northwest London Youth Services	55,000
South London Neighbourhood Resource Centre - South London Youth Services	75,000
Stevenson Children's Camp - Residential Summer Camp	80,000
Women's Rural Resource Centre of Strathroy and Area - Children's Program	90,000
	<u>1,123,838</u>

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

A Strong Community with Resilient and Healthy People:

Anova - A Future Without Violence - Sexual Assault Counselling	30,000
ATN Access for Persons with Disabilities - Be Well	98,058
Canadian Mental Health Association Thames Valley Addictions and Mental Health Services - Supportive Response	140,000
Changing Ways (London) Inc. - Being the Change	90,000
Changing Ways (London) Inc. - Caring Dads	100,000
Community Living London - Volunteer Services	65,000
Crouch Neighbourhood Resource Centre - Neighbourhood Community Development	45,000
Daya Counselling Centre - Subsidized Counselling Program	200,000
John Howard Society - Counselling Program	200,000
London Abused Women's Centre - Survivors to Thrivers	90,000
London Intercommunity Health Centre - Women of the World Program	50,000
LUSO Community Services - Neighbourhood Community Development & Engagement	21,427
Mennonite Community Services of Southern Ontario - Family Education & Support Project of Aylmer (FESPA)	10,000
Mennonite Community Services of Southern Ontario - Volunteer Driver Program	13,000
N'Amerind (London) Friendship Centre - Indigenous Families First Program	183,562
St. Thomas Elgin Second Stage Transitional Residence - Children's/Family Support Program	55,000
Vanier Children's Services - Focused Family Therapy (FFT)	67,500
	<u>1,458,547</u>
	<u>\$ 4,661,000</u>

Donor Directed Funds

A donation to United Way is generally allocated to the Community Fund which provides funding for programs and services which are needed in our community. However, when making a donation to the United Way, a donor may direct or designate their donation, or a portion thereof, to any registered Canadian charity. In 2024, \$374,964 funds were donor directed (2023 - \$411,768).

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

One-Time Funding

As indicated in Note 4, one-time funds were distributed to support the Government of Canada's Community Services Recovery Fund (\$1,902,725) and additional \$100,000 per direction of a local foundation. The disbursements are listed in the following charts.

During the current year, the Federal Government one-time funding (Community Services Recovery Fund) was comprised of the following balances:

	2024
Aylmer Performing Arts Centre - Aylmer performing Arts Council Renewal Project	\$ 57,500
Bereaved Families of Ontario Southwest Region - Peer to Peer Support	11,740
Catfish Creek Conservation Authority - Modernizing information Technology within a Conservation Area	67,824
Changing Ways (London) Inc. - Addressing Complexities of Intimate Partner Violence Through Community Development	97,000
Chinese Canadian National Council London Chapter - Empowering Seniors in Cyberspace	41,457
CMHA Thames Valley Addiction & Mental Health Services - Improving Access to Mental Health Services for Marginalized Community Members	158,401
Elgin Community Futures Development Corporation - EBRC Program & Service Delivery Enhancement Project	20,000
L'Arche London - Creating Connections through Art & Movement	49,740
Leads Employment Services London Inc. - Youth for youth mental wellness & leadership development	99,998
London Humane Society - Redesigned Volunteer Program	77,796
London Youth Advisory Council - Young London - Digital Transformation	140,000
Mary J Wright Child and Youth Development Clinic - MJW-CYDC Extended Community Clinical Support for Children and Families	50,000
Meals on Wheels London - Delivering the Future, Modernizing and Optimizing Meals on Wheels London	60,000
Merrymount Children's Centre - All Kids Belong (AKB) Mindfulness Programming	36,213
Middlesex Law Association - Privacy Pods Project	15,000
Mnaasged Child and Family Services - Program Enhancement to Provide Effective Capacity for Meaningful Supports	158,607
Munsee Delaware Nation - Revitalizing Lunaape Language Through Stories and Teachings	75,460

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Community investments (continued):

Pathways Employment Help Centre - Open the Virtual Door	91,875
Rock Steady Boxing London - Establish and grown RSB London in our new dedicated facility	60,000
Sanctuary London - Taste of home Drop-In and Meal Programs.	99,058
Somali Association of London - The AVATAR Project - Building our Future	87,340
South London Neighbourhood Resource Centre - Youth lead shift in programs/services to integrate mental health approach	99,993
The Secrets of Radar Museum - Interactive Radar Display Programming	26,000
Type Diabeat it - Type Diabeat-it Kitchen	98,000
Urban Roots London - Food Production Expansion	98,100
Vienna Lions Club - Modern, Clean and Light-weight chairs and tables for community events	25,623
Total Community Services Response Fund	1,902,725
Salvation Army Centre of Hope - Housing Stability Bank	100,000
Total one-time donations	\$ 2,002,725

During the previous year, the Government one-time funding were comprised of the following balance:

	2023
Regional HIV/AIDS Connection - Wellness Assistance Fund	\$ 1,600

8. Related party transactions:

Throughout the year, United Way distributes campaign revenue for other United Way organizations throughout Canada. Total distributions in fiscal 2024 were \$206,679 (2023 - \$202,683).

The United Way is also charged an administration fee by United Way - Canada-Centraide Canada. Total fees charged in 2024 were \$67,056 (2023 - \$77,762).

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

9. Accounts payable and accruals:

The Board of Directors has approved the allocation of \$4,200,000 (2023 - \$4,656,000) to funded agencies in fiscal 2024. The allocation is reported in accounts payable. The agreement provides for changes to the allocated amounts under certain circumstances.

10. Project funds:

Project Funds represent unspent resources restricted for projects that will be expended in a future period. These funds include project costs incurred and donations recognized of \$2,091,458 (2023 - \$39,627) for in-year one-time projects as indicated in Note 4 and Note 7. Changes in the project funds balance are as follows:

	2024	2023
Balance, beginning of year	\$ 509,426	\$ 290,375
Project costs incurred	(2,190,821)	(114,137)
Donations received	1,918,626	333,188
Balance, end of year	\$ 237,231	\$ 509,426

11. Deferred revenue:

Deferred revenue represents pledges restricted for charities (donor choice) that will be expended in a future period. Changes in the deferred revenue balance are as follows:

	2024	2023
Balance, beginning of year	\$ 242,483	\$ 271,448
Recognized as revenue	(263,568)	(292,878)
Donations designated	258,019	263,568
Pledge loss	444	345
Balance, end of year	\$ 237,378	\$ 242,483

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

12. Line of credit

The United Way has an authorized line of credit of \$200,000 bearing interest at bank prime plus 1% per year and an authorized line of credit of \$500,000 bearing interest at bank prime plus 1% that is only available from July 1st to December 31st inclusive in each year. The amount outstanding at March 31, 2024 is \$nil (2023 - \$nil). The line of credit is secured by a general security agreement against the assets of the United Way.

A standby letter of credit, authorized for a maximum amount of \$nil (2023 - \$100,000), is secured by a guarantee from RBC. The beneficiary of the standby letter of credit is the Alcohol and Gaming Commission of Ontario. The standby letter of credit expires on November 8, 2022 and bears an interest rate of nil (2023 - 1.55%).

13. Strategic investments:

Strategic Investments include Special Event Costs, United Way Fees and allocations to Other Funded Projects. Other Funded Projects include programs operated by United Way or through an agency to deal with emerging community issues.

	2024	2023
Strategic investments	\$ 292,231	\$ 244,552

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

14. United Way community services:

United Way not only provides services through its funded agencies, but also provides support to the community through various activities. This includes research, advocacy and convening community partners to address social issues.

	2024	2023
Salaries and benefits	\$ 340,671	\$ 304,598
Professional and consulting fees and external services	19,044	-
Office supplies and administrative costs	2,805	3,307
Education, training and recognition	1,114	380
Travel	919	520
	<u>364,553</u>	<u>308,805</u>
Program management and administrative expenses (Schedule 1)	526,412	428,643
	<u>\$ 890,965</u>	<u>\$ 737,448</u>

15. Fundraising and administrative:

	2024	2023
Direct expenses:		
Salaries and benefits	\$ 599,084	\$ 581,813
Office supplies and administrative costs	75,829	89,302
Advertising and promotion	31,707	24,416
Education, training and recognition	3,614	1,793
Travel	2,352	2,233
	<u>712,586</u>	<u>699,557</u>
Program management and administrative expenses (Schedule 1)	977,622	796,051
	<u>\$ 1,690,208</u>	<u>\$ 1,495,608</u>

Included in fundraising and administrative expenses are \$20,299 (2023 - \$19,995) in costs related to administrating the Government of Canada Workplace Charitable Campaign ("GCWCC") campaign in fiscal 2024.

UNITED WAY ELGIN MIDDLESEX

Notes to Financial Statements (continued)

Year ended March 31, 2024

16. Financial instruments:

(a) *Fair value:*

The fair value of cash and cash equivalents, pledges receivable, other assets, accounts payable, accruals, project funds and designations payable approximates carrying value due to their short-term maturity. Investments are carried at fair value and are based on quoted market prices.

(b) *Credit risk:*

The United Way collects pledges from donors in the normal course of its operations and maintains provisions for pledge losses. Due to the nature of pledges, the United Way is not able to reduce its credit risk.

(c) *Interest rate risk:*

The United Way is exposed to interest rate risk, which is the risk that the fair values or future cash flows associated with its investments will fluctuate due to changes in market interest rates. Management addresses this risk through use of an investment manager to monitor and manage investments.

These risks have not changed significantly from the prior year.

17. Comparative information:

Certain comparative information has been reclassified from those previously presented to conform to the presentation of the 2024 financial statements.

UNITED WAY ELGIN MIDDLESEX

Schedule 1 - Program Management and Administrative Expenses

Year ended March 31, 2024, with comparative information for 2023

The following schedule provides detailed information of total indirect expenses incurred by the organization allocated between United Way community services (note 14) and fundraising and administrative expenses (note 15) for the fiscal period.

	2024	2023
Salaries and benefits	\$ 1,022,422	\$ 828,133
Professional and consulting fees and external services	193,654	95,360
Office supplies and administrative costs	130,749	140,561
Occupancy costs	65,771	60,975
Advertising and promotion	46,884	47,284
Amortization expense	38,537	39,243
Education, training and recognition	3,497	12,356
Travel	2,520	782
	\$ 1,504,034	\$ 1,224,694
Allocated to:		
United Way community services (note 14)	\$ 526,412	\$ 428,643
Fundraising and administrative (note 15)	977,622	796,051
	\$ 1,504,034	\$ 1,224,694