

UNITED WAY NIAGARA

Financial Statements
for the Year Ended March 31, 2024
and Independent Auditor's Report to the Directors

UNITED WAY NIAGARA
FINANCIAL STATEMENTS
MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
United Way Niagara:

Qualified Opinion

We have audited the accompanying financial statements of United Way Niagara (the Organization), which comprise the statement of financial position as at March 31, 2024 and the statements of operations - operating fund, statement of fund balance - operating fund, statement of operations - other funds, and of 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 financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and the results of its operations 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 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. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ending March 31, 2024 and year ending March 31, 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 in our audit is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Durward Jones Barkwell & Company LLP

Durward Jones Barkwell & Company LLP
Licensed Public Accountants

May 27, 2024

UNITED WAY NIAGARA
STATEMENT OF OPERATIONS - OPERATING FUND
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Contributions from donors	\$ 4,587,380	\$ 4,460,861
Allowance for pledge losses	(83,250)	(81,500)
Adjustment of prior year pledge loss estimate	72,223	124,609
Funds transferred from other United Ways	62,904	80,722
Funds transferred to other United Ways	(10,132)	(10,448)
Special contribution (Note 5)	723,333	590,627
FUNDRAISING REVENUE	5,352,458	5,164,871
Community Services Recovery Fund revenue (Note 6)	1,400,191	57,927
Government program grants	-	18,947
Niagara Prosperity Initiative administration revenue	-	63,755
Niagara Prosperity Initiative project revenue	492,451	132,494
Investment income (Note 7)	615,606	190,155
TOTAL REVENUE	7,860,706	5,628,149
COST OF FUNDRAISING		
Campaign salaries and benefits	676,653	606,527
Direct campaign expenses - page 18	123,507	144,751
Shared expenses (Note 8)	267,496	310,623
	1,067,656	1,061,901
NET REVENUE BEFORE COMMUNITY INVESTMENT	6,793,050	4,566,248
COMMUNITY INVESTMENT		
Grants to community partners (Note 14)	4,022,248	4,031,905
Community Services Recovery Fund Grants	1,327,577	-
Special project grants (Note 15)	77,000	132,812
Amounts designated by donors to other Registered Charities	218,384	250,071
Other direct program services (Note 9)	393,114	342,385
Shared expenses (Note 8)	332,493	275,038
United Way of Canada affiliation	46,719	46,792
Niagara Prosperity Initiative administration costs	-	57,555
Niagara Prosperity Initiative project expenses	446,019	109,367
	6,863,554	5,245,925
DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE OTHER INCOME	(70,504)	(679,677)
CANADA RECOVERY HIRING PROGRAM	-	3,444
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (70,504)	\$ (676,233)

UNITED WAY NIAGARA
STATEMENT OF FUND BALANCE - OPERATING FUND
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
FUND BALANCE, BEGINNING OF YEAR	\$ 3,052,783	\$ 3,638,296
DEFICIENCY OF REVENUE OVER EXPENDITURES	(70,504)	(676,233)
	2,982,279	2,962,063
TRANSFER FROM FOREVER FUNDS (Note 10)	75,000	100,000
TRANSFER TO CAPITAL FUND (Note 10)	(6,642)	(9,280)
FUND BALANCE, END OF YEAR	\$ 3,050,637	\$ 3,052,783
FUND BALANCE CONSISTS OF THE FOLLOWING:		
Unrestricted	\$ 1,950,637	\$ 1,869,277
Internally restricted special reserve	100,000	183,506
Internally restricted contingency reserve	1,000,000	1,000,000
	\$ 3,050,637	\$ 3,052,783

UNITED WAY NIAGARA
STATEMENT OF OPERATIONS - OTHER FUNDS
YEAR ENDED MARCH 31, 2024

	Capital Fund	Forever Funds Externally Restricted	Forever Funds Internally Restricted	Total 2024	Total 2023
			(Note 10)		
REVENUE					
Bequests and other gifts	\$ 1,900,000	\$ 19,330	\$ 156,785	\$ 2,076,115	\$ 49,655
Investment income (Note 7)	-	70,738	229,201	299,939	90,202
	1,900,000	90,068	385,986	2,376,054	139,857
EXPENDITURES					
Depreciation	10,006	-	-	10,006	10,721
Community investment	-	8,500	15,000	23,500	66,492
Investment management fees	-	6,299	19,521	25,820	23,125
	10,006	14,799	34,521	59,326	100,338
EXCESS OF REVENUE OVER EXPENDITURES	1,889,994	75,269	351,465	2,316,728	39,519
FUND BALANCE, BEGINNING OF YEAR	25,850	561,252	1,797,486	2,384,588	2,435,789
	1,915,844	636,521	2,148,951	4,701,316	2,475,308
TRANSFER FROM (TO) OPERATING FUND	6,642	(15,020)	(59,980)	(68,358)	(90,720)
FUND BALANCE, END OF YEAR	\$ 1,922,486	\$ 621,501	\$ 2,088,971	\$ 4,632,958	\$ 2,384,588

UNITED WAY NIAGARA
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets		
Cash and equivalents - Operating Fund	\$ 3,123,356	\$ 3,848,803
Cash and equivalents - Capital Fund	1,900,000	-
Cash - Forever Funds	125,087	43,098
Investments - Operating Fund	4,102,181	3,980,794
Investments - Forever Funds	2,585,385	2,315,640
Pledges receivable (Note 2)	1,277,147	1,279,066
Other receivables	80,834	133,568
Prepaid expenses	62,836	60,211
	<u>13,256,826</u>	<u>11,661,180</u>
Capital assets - Capital Fund (Note 3)	<u>22,486</u>	<u>25,850</u>
	<u>\$13,279,312</u>	<u>\$11,687,030</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued charges	\$ 151,294	\$ 228,886
Other grants payable	50,000	190,683
Agency allocations payable	2,618,673	2,617,384
Donor directed designations payable	150,832	169,841
Deferred revenue - fundraising	967,890	667,316
Deferred revenue - special contribution	566,160	824,000
Niagara Prosperity Initiative projects (Note 4)	120,988	116,176
	<u>4,625,837</u>	<u>4,814,286</u>
Deferred revenue - special contribution (Note 5)	<u>969,880</u>	<u>1,435,373</u>
Commitments (Note 12)		
	<u>5,595,717</u>	<u>6,249,659</u>
Fund balances		
Operating Fund		
Unrestricted	1,950,637	1,869,277
Internally restricted special reserve	100,000	183,506
Internally restricted contingency reserve	1,000,000	1,000,000
	<u>3,050,637</u>	<u>3,052,783</u>
Other Funds		
Invested in capital assets	1,922,486	25,850
Internally restricted - Forever Funds	2,088,971	1,797,486
Externally restricted - Forever Funds	621,501	561,252
	<u>7,683,595</u>	<u>5,437,371</u>
	<u>\$13,279,312</u>	<u>\$11,687,030</u>

Approved by the Board:

 Director

 Director

UNITED WAY NIAGARA

STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2024

	Operating Fund	Other Funds	Total 2024	Total 2023
OPERATING ACTIVITIES				
Excess (deficiency) of revenue over expenses	\$ (70,504)	\$ 2,316,728	\$ 2,246,224	\$ (636,714)
Depreciation, an item not affecting cash	-	10,006	10,006	10,721
	(70,504)	2,326,734	2,256,230	(625,993)
Changes in non-cash operating assets and liabilities				
Pledges receivable	1,919	-	1,919	12,619
Other receivables	52,734	-	52,734	(33,020)
Prepaid expenses	(2,625)	-	(2,625)	15,964
Accounts payable and accrued charges	(77,592)	-	(77,592)	20,836
Other grants payable	(140,683)	-	(140,683)	190,683
Agency allocations payable	1,289	-	1,289	(24,991)
Donor directed designations payable	(19,009)	-	(19,009)	(14,664)
Deferred revenue - fundraising	300,574	-	300,574	(152,705)
Deferred revenue - special contribution	(723,333)	-	(723,333)	2,259,373
Niagara Prosperity Initiative grants payable	-	-	-	(443,550)
Niagara Prosperity Initiative projects	4,812	-	4,812	116,176
	(672,418)	2,326,734	1,654,316	1,320,728
INVESTING ACTIVITIES				
Interfund transfers	68,358	(68,358)	-	-
Purchase of capital assets	-	(6,642)	(6,642)	(9,280)
Proceeds from (purchase of) investments	(121,387)	(269,745)	(391,132)	882,599
	(53,029)	(344,745)	(397,774)	873,319
INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(725,447)	1,981,989	1,256,542	2,194,047
CASH AND EQUIVALENTS, BEGINNING OF YEAR	3,848,803	43,098	3,891,901	1,697,854
CASH AND EQUIVALENTS, END OF YEAR	\$ 3,123,356	\$ 2,025,087	\$ 5,148,443	\$ 3,891,901

UNITED WAY NIAGARA
 NOTES TO THE FINANCIAL STATEMENTS
 MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Purpose of the Organization

United Way Niagara is a public foundation incorporated in Ontario that primarily solicits and collects donations which are disbursed to various registered charitable organizations and carries out various other programs and charitable activities throughout the community. The Organization is exempt from federal and provincial income taxes.

Fund accounting

The Organization follows the fund method of accounting whereby financial statement elements are reported by fund.

The Operating Fund accounts for all of the Organization's campaign and administrative activities. This Fund reports unrestricted resources and has an allocation to the Contingency Reserve as determined annually by the Board of Directors. The Board has placed restrictions on the Contingency Reserve to provide funding stability to member agencies in a time of need, to provide funds in the event of a natural or man-made disaster and to set funds aside to meet the Board directive of a minimum Contingency Reserve balance. A resolution of the Board of Directors has set a goal that the Organization maintain a minimum Contingency Reserve balance equivalent to one-third of the following year allocation commitment to agencies, up to a maximum balance of \$1,000,000. As at March 31, 2024 this goal has been attained. The internally restricted special reserve fund was established to further United Way's commitment to Food Security. This reserve sustains the Niagara Community Garden Network and supports development of the Community Farm Project. The Niagara Community Garden Network is a collaborative network of local food security leaders working together to build thriving community gardens. The Board approved funding for this reserve of \$300,000. To date, \$200,000 has been spent, leaving a balance of \$100,000 in the reserve.

The Forever Funds report only specialized contributions and activities. The revenues generated by these funds are used for purposes designated by the directors and donors of the Organization. These funds have internal and external restrictions.

The Capital Fund accounts for all of the Organization's capital assets. Capital assets are recorded at cost and depreciated over their estimated useful lives as follows:

Office equipment and furniture	20% declining-balance
Computer hardware	30% declining-balance
Computer software	2 years straight-line
Leasehold improvements	10 years straight-line

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions. Income from non-designated donations and fundraising is recorded when received. Contributions to the Restricted Fund are recorded as revenue of that Fund in the year received. Restricted contributions received for which a separate fund is not presented are recognized in the Operating Fund in accordance with the deferral method, whereby contributions for expenses of future periods are deferred and recognized as revenue in the periods the related expenses are incurred. Pledges are recognized as receivable if the amounts can be reasonably estimated and collectibility is reasonably assured.

The annual United Way campaign raises funds for allocation in the subsequent fiscal year. Accordingly, revenue recognized in the statement of operations for the year ended March 31, 2024 is comprised primarily of the proceeds from the 2023 fall campaign. Pledges are recorded as revenue for the 2023 fall campaign.

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NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

Pledge losses normally result from donor relocations, business closings, retirements and changes in economic conditions. The pledge loss is recorded for estimated uncollectible pledges and is based on known losses for the year and an allowance for losses from outstanding campaign pledges.

Contributions to the Forever Funds are recognized as revenue in the year received. Investment income on the resources of these Funds are recognized as revenue in the Funds as outlined in investments.

Funds received for the 2024 campaign are deferred and recognized in income as the related expense occurs. This amount is presented as deferred revenue - fundraising.

Niagara Prosperity Initiative project revenue is deferred and recognized in income as the related project expense occurs.

Cash and equivalents

Cash and equivalents include deposits in banks, cash on hand and term deposits with original maturity dates of less than one year.

Investments

The Organization has money invested through an investment pooling arrangement administered by the Toronto Foundation. Amounts from the Operating Fund and Forever Funds are invested through this Foundation.

Long-lived assets

Long-lived assets are tested for recoverability if events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of the long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. Impairment losses are measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

Financial instruments

Initial measurement

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the company is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the company in the transaction.

Subsequent measurement

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 income in the period incurred.

Financial assets measured at amortized cost include cash and equivalents, pledges receivable and other receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued charges, other grants payable, agency allocations payable, donor directed designations payable and deferred revenue.

Financial assets measured at fair value include investments.

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

(b) Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(c) Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Government Assistance

Government assistance related to current expenses or revenues are included in the determination of net income for the period. When government assistance relates to expenses of future accounting periods, the appropriate amounts shall be deferred and amortized to income as related expenses are incurred.

Shared expenses

Shared expenses are allocated using a percentage of salary costs for campaign and community investment as a proportion of total salaries.

Use of estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates and assumptions are used when accounting for items such as impairment and determination of useful lives of capital assets, revenue recognition, allocation to deferred revenue, shared expenses allocation, allowances for pledge losses, allocations payable, and contingent liabilities.

External events such as domestic and international pandemics, geopolitical unrest, natural disasters, climate change or inflationary pressures may cause economic uncertainty for many companies. Management assesses available information about the future, considers the possible outcomes, and develops a planned response to mitigate the effect of significant events or changes in conditions impacting the Organization. Although it is not guaranteed that these efforts will be successful, management is of the opinion that the actions that the Organization has taken are sufficient to mitigate these uncertainties.

Contributed materials and services

The Organization receives contributed materials and services which are not recognized in the financial statements because of the difficulty in determining their fair value.

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

2. PLEDGES RECEIVABLE

Pledges receivable represent pledges from the prior years' campaigns which have not yet been honoured. An allowance for pledge losses has been provided to reflect these pledge receivables at their estimated net realizable value.

	<u>2024</u>	<u>2023</u>
Campaign pledges receivable - current year	\$ 1,275,824	\$ 1,258,802
Campaign pledges receivable - prior years	141,856	108,249
Less allowance for pledge losses	<u>(140,533)</u>	<u>(87,985)</u>
	<u>\$ 1,277,147</u>	<u>\$ 1,279,066</u>

3. CAPITAL ASSETS

	<u>2024</u>		<u>2023</u>	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Office equipment and furniture	\$ 99,362	\$ 96,831	\$ 99,362	\$ 96,198
Computer hardware	170,590	152,061	163,948	144,120
Leasehold improvements	11,459	10,033	12,891	10,033
	<u>281,411</u>	<u>258,925</u>	276,201	250,351
Net book value		<u>\$ 22,486</u>		<u>\$ 25,850</u>

4. NIAGARA PROSPERITY INITIATIVE PROJECTS

The Organization has entered into a service agreement with the Regional Municipality of Niagara to administer two projects relating to the Niagara Prosperity Initiative: the Living Wage Program and the Community Pop-Up Produce Markets. The Organization is responsible for providing resources, planning and coordination of the projects. The balance of \$120,988 represents unexpended funds as of March 31, 2024.

5. DEFERRED REVENUE - SPECIAL CONTRIBUTION

In the prior year, the Organization received a \$2,850,000 special contribution from a donor. At the donor's request, this funding is to be allocated to certain of the Organization's various programs over a period of multiple years. In the current year, \$723,333 was spent on those programs and brought into income. To date \$1,313,960 has been spent, leaving a remaining deferred revenue balance of \$1,536,040.

The remaining funding is to be spent over a period of four years, with \$566,160 to be spent in the fiscal year ended March 31, 2025.

UNITED WAY NIAGARA
 NOTES TO THE FINANCIAL STATEMENTS
 MARCH 31, 2024

6. COMMUNITY SERVICES RECOVERY FUND REVENUE

The Organization entered into a funding agreement with United Way Centraide Canada to receive funding from the Government of Canada of \$1,458,118. Total funding received was specified for eligible activities for investing in program and service innovation and redesign, to assist charities, non-profits, and Indigenous governing bodies with pandemic recovery. Under the terms of the agreement, United Way Niagara distributed funds to local organizations. A total of 24 organizations were provided funding through this effort. Under the terms of this agreement, United Way Niagara retained an administration fee to cover the costs associated with the disbursement of these funds. At March 31, 2024, all distributions have been completed and no amounts are deferred.

7. INVESTMENT INCOME

Investment income is derived from a variety of sources and is analyzed as follows.

	<u>Operating Fund</u>		<u>Forever Fund</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 229,837	\$ 186,022	\$ 52,731	\$ 49,970
Net realized gains (losses)	2,137	(26,001)	1,559	(13,230)
Net unrealized gains	383,632	30,134	245,649	53,462
	\$ 615,606	\$ 190,155	\$ 299,939	\$ 90,202

8. SHARED EXPENSES

Shared costs include all administrative and occupancy costs common to the overall operation of the Organization. The shared expenses have been allocated, based on salaries, between the cost of fundraising and the cost of programs.

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 344,657	\$ 334,563
Other operating costs - page 18	255,332	251,098
	\$ 599,989	\$ 585,661
Allocation to fundraising	\$ 267,496	\$ 310,623
Allocation to programs	332,493	275,038
	\$ 599,989	\$ 585,661

UNITED WAY NIAGARA
 NOTES TO THE FINANCIAL STATEMENTS
 MARCH 31, 2024

9. OTHER DIRECT PROGRAM SERVICES

Other direct program service costs are those costs directly attributable to carrying out the community programs and are comprised of the following.

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 372,748	\$ 326,031
Other operating costs - page 18	20,366	16,354
	<u>\$ 393,114</u>	<u>\$ 342,385</u>

10. INTERFUND TRANSFERS

During the year, \$75,000 was transferred from the internally restricted funds in the Forever Funds to the Operating Fund to support the following programs.

	<u>2024</u>	<u>2023</u>
After-School Programs	\$ 40,377	\$ 40,532
Emerging Issues	6,174	20,000
Food Security	15,000	13,000
Garden Network	-	14,000
Welcome Home Kits	13,449	12,468
	<u>\$ 75,000</u>	<u>\$ 100,000</u>

During the year, \$6,642 was transferred from the Operating Fund to the Capital Fund to fund capital purchases.

11. FINANCIAL RISK MANAGEMENT

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, market risk, currency risk, credit risk and liquidity risk.

(a) Market risk:

The Organization is subject to market risk on investments carried at fair value. These investments are subject to market risk such that the fair value of these investments may change as a result of factors specific to a particular investment or as a result of factors affecting all instruments trading in the market. The Organization mitigates these risks with an investment policy designed to limit exposure and concentration while achieving optimal return with reasonable risk tolerances.

(b) Credit risk:

Credit risk arises from cash and cash equivalents and credit exposures on outstanding receivables. Management annually assesses its receivables and has provided an allowance for pledge loss based on historical percentages for pledge collections, actual collection experience and specific account identification.

It is management's opinion that the Organization is not exposed to significant interest rate, currency or liquidity risks arising from its financial instruments.

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

12. COMMITMENTS

The Organization has signed a lease agreement for its premises in St. Catharines for a period of five years terminating May 31, 2029. This lease calls for a base annual amount of \$55,000 paid in equal monthly instalments.

The Organization's funding formula provides funding to various agency programs. The total amount committed for April 1, 2024 to March 31, 2025 is \$2,618,673. The commitments are subject to adjustment mainly if economic conditions adversely affect the Organization's fundraising during the year.

13. SUBSEQUENT EVENT

In April 2024, the Organization entered into a conditional agreement to purchase a building at a cost of \$1,350,000. A deposit of \$50,000 has been paid subsequent to year-end. The Organization accepted the conditions on May 27, 2024 and the balance of the purchase price will be paid within 9 months.

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

14. GRANTS TO COMMUNITY PARTNERS

	<u>2024</u>	<u>2023</u>
STRONG COMMUNITIES		
Autism Ontario - Niagara Region Chapter	\$ 10,000	\$ 10,000
Bethlehem Housing and Support Services	15,000	15,000
Bridges Community Health Centre	7,500	7,500
Canadian Mental Health Association - Niagara Branch	137,838	137,838
Community Living Grimsby, Lincoln and West Lincoln	23,366	-
Distress Centre Niagara	117,873	117,873
Epilepsy Niagara	47,516	47,516
Family Counselling Centre Niagara	68,482	68,482
Family Mental Health Support Network of Niagara	10,000	10,000
Fort Erie Multicultural Centre	20,000	20,000
Gillian's Place West Niagara	25,000	25,000
Links for Greener Learning	25,000	25,000
Mainstream	7,500	35,000
March of Dimes Canada	2,500	10,000
Meals on Wheels Niagara Falls	12,590	12,590
Meals on Wheels Port Colborne	14,000	14,000
Niagara Centre for Independent Living	22,736	22,736
Niagara Region Sexual Assault Centre (CARSA Inc.)	25,000	25,000
Port Cares	47,278	47,278
Positive Living Niagara	95,000	95,000
Start Me Up Niagara	60,000	60,000
The Hope Centre	10,000	10,000
Victim Services Niagara	30,000	30,000
West Niagara Palliative Care Services	6,000	6,000
Women's Place of South Niagara (Birchway Niagara)	59,777	59,777
YWCA Niagara Region	71,367	71,367
	<u>971,323</u>	<u>982,957</u>
FROM POVERTY TO POSSIBILITY		
Bethlehem Housing and Support Services	55,000	55,000
Community Care of St. Catharines & Thorold	145,000	145,000
Community Care of West Niagara	64,000	64,000
Fort Erie Multicultural Centre	15,000	15,000
Niagara Regional Learning Centre	7,500	7,500
Niagara Women's Enterprise Centre	8,000	8,000
Port Cares	12,500	12,500
Southridge Community Church	25,000	25,000
Start Me Up Niagara	75,000	75,000
The Hope Centre	53,040	53,040
The Society of St. Vincent de Paul - St. Michaels Conference	10,000	10,000
Westview Christian Fellowship	40,000	40,000
YWCA Niagara Region	197,743	197,743
	<u>707,783</u>	<u>707,783</u>

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

14. GRANTS TO COMMUNITY PARTNERS (continued)

	<u>2024</u>	<u>2023</u>
ALL THAT KIDS CAN BE		
Autism Ontario - Niagara Region Chapter	25,000	25,000
Bethlehem Housing and Support Services	7,000	7,000
Big Brothers Big Sisters of South Central Niagara	154,968	154,968
Big Brothers Big Sisters of North & West Niagara	95,000	95,000
BGC Niagara	75,000	75,000
Canadian National Institute for the Blind (CNIB)	-	417
Community Care of St. Catharines & Thorold	45,000	45,000
Community Living Port Colborne - Wainfleet	25,000	25,000
Family Counselling Centre Niagara	66,000	66,000
Foundation of Resources for Teens of West Niagara (FORT)	60,000	60,000
Gillian's Place West Niagara	23,550	23,550
Learning Disabilities Association of Niagara Region	99,000	99,000
Niagara Folk Arts Multicultural Centre	36,709	36,709
Niagara Region Sexual Assault Centre (CARSA Inc.)	7,500	7,500
Niagara Resource Service for Youth (The RAFT)	81,500	81,500
Quest Community Health Centre	45,000	45,000
Strive Niagara	27,500	27,500
YMCA of Niagara	30,000	30,000
YWCA Niagara Region	22,500	22,500
	<u>926,227</u>	<u>926,644</u>
OTHER COMMUNITY PROGRAMS		
After School Matters Program	567,395	396,695
Backpacks for Kids Program	34,711	58,070
Community Garden Operations	136,099	99,461
Food Security Initiatives	375,000	425,000
Hygiene & Welcome Home Kits	79,436	81,283
InCommunities (211)	50,937	52,037
North Niagara Special Projects	65,000	144,120
Other Food Security Initiatives	-	60,117
Other Initiatives	22,915	35,011
Pop-Up Markets	-	17,120
Rental Assistance Program	22,840	22,000
Seniors Fund	37,582	23,607
Summer Food	25,000	-
	<u>1,416,915</u>	<u>1,414,521</u>
	<u>\$ 4,022,248</u>	<u>\$ 4,031,905</u>

UNITED WAY NIAGARA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

15. SPECIAL PROJECT GRANTS

United Way Niagara receives funding from The Branscombe Family Foundation to support Special Projects and Emergency Fund grant initiatives in the Niagara Falls, Fort Erie and South Niagara areas, separate from the Organization's annual grants programs.

	<u>2024</u>	<u>2023</u>
Advancing Crystal Beach Charitable Foundation	\$ 1,300	\$ -
Attachment and Trauma Therapy Centre for Healing Niagara	-	5,000
Bethlehem Housing & Support Services	7,500	-
BGC Niagara	7,500	-
Bridges Community Health Centre	10,000	2,500
Community Crew	-	5,000
Community Living - Fort Erie	10,000	-
Community Living - Welland / Pelham	-	8,000
Faith Welland	6,500	8,000
Femmes du Feu Creations	5,000	-
Gateway Residential and Community Support	-	2,400
Healthy Start, Healthy Future	5,000	-
Heart Niagara	5,000	-
Holy Trinity Church Welland	-	10,000
Horse Cents for Kids	-	7,680
Kristen French Child Advocacy Centre	-	4,800
Niagara Community Benefits Network	1,500	-
Niagara Falls Public Library Board	-	10,000
Niagara Folk Arts Multicultural Centre	-	4,950
Niagara SPCA and Humane Society	-	3,024
Niagara Victim Crisis Support Service Inc.	-	1,584
Open Arms Mission	-	4,500
Pelham Cares Inc.	-	10,000
Port Cares	6,700	-
Start2Finish Canada	-	3,840
Start Me Up Niagara	-	6,942
St. James and St. Brendan Anglican Church	-	10,000
St. John Ambulance	-	3,840
St. Michael's Church in collaboration with Strong Fort Erie Neighbourhoods	3,500	-
The Bridges Missional Communities	-	10,000
The Crystal Ridge Dream Centre	-	2,752
The Society of St. Vincent de Paul - St. Michaels Conference	-	8,000
YWCA Niagara Region	7,500	-
	\$ 77,000	\$ 132,812

UNITED WAY NIAGARA
SCHEDULE OF CAMPAIGN AND ADMINISTRATION EXPENSES
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
Campaign supplies and expenses	\$ 61,287	\$ 96,478
Equipment lease and maintenance	13,585	12,297
Financial services	73,424	74,015
Insurance	20,386	18,936
Meetings	5,209	5,213
Office expenses	12,742	11,240
Postage	3,750	5,987
Professional fees and other purchased services	75,096	79,028
Rent	70,617	62,224
Subscriptions and memberships	17,224	8,563
Telephone	17,539	15,861
Training	14,540	9,563
Transportation	13,806	12,798
	<u>\$ 399,205</u>	<u>\$ 412,203</u>
Allocated as follows:		
Administration	\$ 255,332	\$ 251,098
Campaign	123,507	144,751
Community investment	20,366	16,354
	<u>\$ 399,205</u>	<u>\$ 412,203</u>