

UNITED WAY LEEDS & GRENVILLE

Financial Statements

Year ended December 31, 2024

UNITED WAY LEEDS & GRENVILLE
Year ended December 31, 2024

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Independent Auditor's Report

To the Members of
United Way Leeds & Grenville
Brockville, Ontario

Qualified Opinion

We have audited the financial statements of United Way Leeds & Grenville (the "Organization"), which comprise the balance sheet as at December 31, 2024, and the statement of operations and net assets, and statement 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 accompanying financial statements present fairly, in all material respects, the financial position of United Way Leeds & Grenville as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable and non-profit organizations, the Organization derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to fundraising and donation revenues, excess of revenue over expenditures, assets and net assets for the year ended December 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

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 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 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.

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.

Prescott, Ontario
May 22, 2025

Allin & Associates

ALLIN & ASSOCIATES
PROFESSIONAL CORPORATION

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

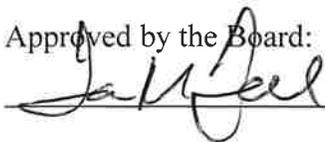
UNITED WAY LEEDS & GRENVILLE

Balance Sheet

December 31, 2024, with comparative figures for December 31, 2023

	2024	2023
Assets		
Current assets:		
Cash (note 2)	\$ 493,149	\$ 268,208
Short-term investments (note 3)	90,000	519,373
Campaign pledges receivable	131,794	109,296
Withholding taxes recoverable	10,029	10,760
Other receivables	20,759	41,049
Prepaid expenses	8,869	6,413
	<u>754,600</u>	<u>955,099</u>
Long-term investments (note 3)	141,601	124,044
Property, plant and equipment (note 4)	116,661	130,865
	<u>\$ 1,012,862</u>	<u>\$ 1,210,008</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 47,718	\$ 45,246
Allocations payable to agency members	41,792	46,201
	<u>89,510</u>	<u>91,447</u>
Deferred contributions:		
Externally restricted donations (note 5)	1,112	25,523
Capital assets (note 6)	4,085	8,114
	<u>5,197</u>	<u>33,637</u>
Net assets (page 4)	<u>859,070</u>	<u>1,055,286</u>
	<u>\$ 953,777</u>	<u>\$ 1,180,370</u>

Approved by the Board:


 Director


 Director

UNITED WAY LEEDS & GRENVILLE

Statement of Operations and Net Assets

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Revenue:		
Campaign contributions	\$ 754,620	\$ 835,139
Major gifts	45,000	40,000
Funds received from other United Ways	9,223	14,763
Allowance for uncollectible pledges	(514)	(5,999)
Net campaign contributions	808,329	883,903
Community Services Recovery Fund	2,177	312,176
Nevada ticket sales, net of cash prizes	25,832	2,432
Investment income earned	27,023	37,543
Unrealized gain on investments	(14,726)	(14,819)
Other revenues (page 11)	39,618	35,747
	888,253	1,256,982
Expenditures:		
Allocations to agency members	522,227	560,559
Non-agency designations	56,433	148,771
Y2Y Board allocations	500	1,500
Community Services Recovery Fund allocations	-	294,188
Urgent Needs Fund allocations	11,550	1,200
Programs (page 12)	281,257	311,067
Campaign (page 13)	196,453	205,025
Nevada tickets (page 14)	16,049	9,659
	1,084,469	1,531,969
Deficiency of revenues over expenditures	(196,216)	(274,987)
Net assets - beginning of the year	1,055,286	1,330,273
Net assets - end of the year	\$ 859,070	\$ 1,055,286

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Statement of Cash Flows

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Cash receipts	\$ 873,062	\$ 1,283,487
Cash paid to suppliers and employees	(1,071,159)	(1,507,373)
	(198,097)	(223,886)
Investing:		
Decrease in investments	426,542	101,590
Purchase of capital assets	(3,504)	(24,571)
	423,038	77,019
Increase (decrease) in cash	224,941	(146,867)
Cash, beginning of the year	268,208	415,075
Cash, end of the year (note 2)	\$ 493,149	\$ 268,208

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Notes to Financial Statements
Year ended December 31, 2024

Purpose of the organization:

The United Way Leeds & Grenville ("United Way") is a not-for-profit organization and, pursuant to letters patent dated October 27, 1998, is incorporated without share capital under the Ontario Corporations Act. Its mission is to improve lives and build community by engaging individuals and mobilizing collective action. The United Way's primary source of revenue is the annual campaign to solicit donations on behalf of agency members.

The United Way is registered as a charitable organization under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the United Way must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

1. Significant accounting policies:

(a) Basis of presentation:

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

(b) Cash and cash equivalents:

Cash is defined as cash on hand, and cash on deposit, net of cheques issued and outstanding at the reporting date.

(c) Investments:

Investments are recorded at fair value. The organization treats term deposits and other financial instruments with a maturity date of less than 12 months as short-term investments. Financial instruments, preferred shares, and other equity instruments are treated as long-term investments.

(d) Campaign pledges receivable:

Campaign pledges receivable are recognized if the amount to be received can be reasonably estimated and collection is reasonably assured.

An allowance for uncollectible pledges receivable is calculated using historical loss experience and deducted from the carrying value of the receivable.

(e) Property, plant and equipment:

Amortization is provided over the estimated useful lives of the assets using the following methods and annual rates:

Asset		Rate
Building	Straight line	4%
Equipment	Straight line	6.7% and 20%
Computer equipment and software	Straight line	33.3% and 50%

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Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):**(f) Revenue recognition:**

The Organization follows the deferral method of accounting for contributions which includes unrestricted and restricted donations and grants.

Unrestricted campaign contributions are recognized as revenue when received or pledged. Funds received from other United Ways are recognized as revenue when received or pledged.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding with the amortization rates for the related capital assets.

Nevada ticket sales, interest and rent are recognized as revenue when earned.

Endowment contributions are recognized as direct increases in net assets when received.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value and changes to fair value are recorded as investment income. All other financial instruments are recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The organization has elected to subsequently carry all of its short-term investments and all of its long-term investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

(h) 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 year. Actual results could differ from management's best estimates as additional information becomes available in the future.

UNITED WAY LEEDS & GRENVILLE

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(i) Contributed services:

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

(j) In-kind contributions:

The United Way receives in-kind contributions of clothing, office supplies, personal care products and other goods which are used internally or distributed to agency members and other community agencies. Since these in-kind contributions would not ordinarily be purchased by the United Way, they are not recorded in the financial statements.

2. Cash:

	2024	2023
Cash float	\$ 200	\$ 200
Operating account - unrestricted	93,169	186,404
Business investment account - unrestricted	74,366	75,878
Direct investment account - unrestricted	261,175	-
Investment savings account - unrestricted	48,433	1,586
Total unrestricted	477,343	264,068
Operating account - internally restricted	2,798	2,798
Nevada accounts - internally restricted	13,008	1,342
Total internally restricted	15,806	4,140
Total cash	\$ 493,149	\$ 268,208

Ontario Lottery funds are held in the Nevada accounts and may only be used for their specified purposes.

3. Investments:

Short-term investments:		2024	2023
Term deposits	\$	90,000	\$ 519,373
Long-term investments:		2024	2023
Guaranteed investment certificates	\$	22,170	\$ 21,158
Common shares		98,104	83,917
Preferred shares		21,327	18,969
	\$	141,601	\$ 124,044

UNITED WAY LEEDS & GRENVILLE

Notes to Financial Statements

Year ended December 31, 2024

4. Property, plant and equipment:

2024	Cost	Accumulated amortization	Net book value
Land	\$ 50,000	\$ -	\$ 50,000
Building	292,723	250,352	42,371
Equipment	48,258	25,676	22,582
Computer equipment and software	8,795	7,087	1,708
	\$ 399,776	\$ 283,115	\$ 116,661

2023	Cost	Accumulated amortization	Net book value
Land	\$ 50,000	\$ -	\$ 50,000
Building	292,723	238,644	54,079
Equipment	44,755	20,815	23,940
Computer equipment and software	9,865	7,019	2,846
	\$ 397,343	\$ 266,478	\$ 130,865

5. Externally restricted donations:

Deferred contributions related to externally restricted donations representing unspent donations that have been restricted by the donors for deferred campaign contribution and youth programs.

	2024	2023
Balance, beginning of the year	\$ 25,523	\$ 50,637
Externally restricted donations collected	4,407	7,939
Amount recognized as revenue:		
Campaign contributions	(28,318)	(29,721)
Youth programs	(500)	(3,332)
Balance, end of the year	\$ 1,112	\$ 25,523
Represented by funds externally restricted for:		
Deferred campaign contributions	\$ -	\$ 25,000
Youth programs	1,112	523
	\$ 1,112	\$ 25,523

6. Deferred contributions related to capital assets:

Deferred contributions related to capital assets represent externally restricted capital contributions and grants received for the purchase of capital assets together with contributed capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2024	2023
Balance, beginning of the year	\$ 8,114	\$ 12,143
Amount amortized to revenue	(4,029)	(4,029)
Balance, end of the year	\$ 4,085	\$ 8,114

UNITED WAY LEEDS & GRENVILLE

Notes to Financial Statements

Year ended December 31, 2024

7. Financial risks and concentration of risk:

The United Way's financial instruments consist of cash, investments, receivables and payables. The significant financial risks to which the United Way is exposed relating to its financial instruments are credit risk, interest rate risk, liquidity risk and market risk.

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss.

Credit risk associated with cash and investments is minimized substantially by ensuring that these assets are invested with major financial institutions that have been accorded investment grade ratings by primary rating agency.

(b) Interest rate risk:

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The exposure of the United Way to interest rate risk arises from its interest bearing assets, being cash and investments.

The United Way's cash includes amounts on deposit with a financial institution that earn interest at market rates. The United Way manages its interest rate exposure of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates on cash do not have a significant impact on the United Way's results of operations.

The primary objective of the United Way with respect to its investments is to ensure the security of principal amounts invested, provide for a high degree of liquidity and achieve a satisfactory investment return.

(c) Liquidity risk:

Liquidity risk refers to the risk that the United Way will not be able to meet a demand for cash or fund its obligations as they come due.

The United Way meets its liquidity requirements by monitoring its cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

(d) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The United Way's investments in publicly-traded securities exposes the United Way to price risks as equity investments are subject to price changes in an open market due to market movements, global markets and changes to market rates of interest.

UNITED WAY LEEDS & GRENVILLE

Schedule of Other Revenues

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Rental	\$ 5,874	\$ 5,362
Expense recoveries	19,947	15,394
Grants for salaries and benefits	9,268	9,462
Y2Y Board income	500	1,500
Amortization of deferred capital contributions (note 6)	4,029	4,029
	\$ 39,618	\$ 35,747

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Schedule of Program Expenses

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Programs development	\$ 173,234	\$ 154,608
United Way of Canada dues	9,090	9,619
Youth Programs	2,500	3,000
Gifts in kind	26	310
Community Services Recovery Fund administration	2,177	17,988
Community impact	3,568	39,208
Travel	683	521
Amortization of capital assets	8,247	6,786
	199,525	232,040
Allocation of:		
Building expenses (page 15)	12,964	10,130
General management and administration expenses (page 16)	68,768	68,897
	\$ 281,257	\$ 311,067

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Schedule of Campaign Expenses

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Special events	\$ 38,352	\$ 46,566
Advertising and promotion	6,551	6,312
Postage	955	1,061
Supplies and forms	1,084	1,530
Fundraising expenses	4,028	2,290
Credit card charges	3,411	4,215
Travel	2,240	1,677
Volunteers	1,323	231
Miscellaneous	608	857
	58,552	64,739
Allocation of:		
Building expenses (page 15)	21,885	18,010
General management and administration expenses (page 16)	116,016	122,276
	\$ 196,453	\$ 205,025

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Schedule of Nevada Tickets Expenses

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Site remuneration	\$ 4,930	\$ 464
Tickets	4,231	3,869
Administration fees	3,336	3,027
Licenses and fees	3,552	1,643
Miscellaneous	-	656
	\$ 16,049	\$ 9,659

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Schedule of Building Expenses

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Utilities	\$ 4,947	\$ 5,412
Building maintenance	14,187	8,741
Property maintenance	4,307	2,301
Insurance	6,472	5,997
Wages	935	1,044
Amortization of capital assets	2,927	2,927
Miscellaneous	1,074	1,718
	\$ 34,849	\$ 28,140
Allocated to:		
Program expenses (page 12)	\$ 12,964	\$ 10,130
Campaign expenses (page 13)	21,885	18,010
	\$ 34,849	\$ 28,140

The accompanying notes are an integral part of these financial statements.

UNITED WAY LEEDS & GRENVILLE

Schedule of General Management and Administration Expenses
 Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Salaries and benefits	\$ 141,671	\$ 152,677
Office supplies, postage and photocopier lease	4,899	7,917
Travel and conferences	4,292	3,930
Professional services	14,463	10,107
Telephone, internet and IT services	8,025	7,280
Insurance	1,394	1,394
Advertising	42	73
Bank and credit card charges	613	686
Amortization of capital assets	6,533	4,795
Miscellaneous	2,852	2,314
	\$ 184,784	\$ 191,173
Allocated to:		
Program expenses (page 12)	\$ 68,768	\$ 68,897
Campaign expenses (page 13)	116,016	122,276
	\$ 184,784	\$ 191,173

General management and administration expenses and building expenses are allocated between programs and campaign expenses based on effort and have been allocated as follows:

	2024	2023
Programs	37.2 %	36.0 %
Campaign	62.8 %	64.0 %

The accompanying notes are an integral part of these financial statements.