

Financial Statements of

**UNITED WAY/CENTRAIDE
WINDSOR-ESSEX COUNTY**

Year ended March 31, 2021



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INDEPENDENT AUDITORS' REPORT

To the Members of United Way/Centraide Windsor-Essex County

Opinion

We have audited the financial statements of United Way/Centraide Windsor-Essex County (the United Way), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net asset 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 United Way as at March 31, 2021, and its results of operations and 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 “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our auditors’ report.

We are independent of the United Way 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 United Way'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 United Way or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the United Way's financial reporting process.

Auditors' 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 auditors' 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 United Way's internal control.



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- 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 United Way's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the United Way 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.
- 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

Windsor, Canada
September 22, 2021

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Statement of Financial Position

March 31, 2021 with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,483,273	\$ 1,747,038
Short-term investments (note 4)	419,676	898,913
Fundraising pledges receivable, net (note 3)	1,475,159	2,179,547
Other receivables	183,034	240,432
Prepaid expenses	48,422	45,133
	<u>5,609,564</u>	<u>5,111,063</u>
Long-term investments (note 4)	715,080	302,464
Capital assets (note 5)	106,904	151,151
	<u>\$ 6,431,548</u>	<u>\$ 5,564,678</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 753,249	\$ 549,445
Deferred grant revenue (note 6)	355,372	334,134
Designated gifts payable	1,033,813	672,136
	<u>2,142,434</u>	<u>1,555,715</u>
Accrued benefit obligation (note 7)	751,688	677,863
Net assets:		
Invested in capital assets	106,904	151,151
Internally designated for Capital Fund (note 2)	415,790	379,283
Internally designated for Tomorrow Fund (note 2)	774,084	304,712
Internally designated for Operating Fund (note 2)	2,240,648	2,495,954
	<u>3,537,426</u>	<u>3,331,100</u>
Commitments (note 8)		
	<u>\$ 6,431,548</u>	<u>\$ 5,564,678</u>

See accompanying notes to financial statements.

On behalf of the Board of Directors:

 Director

 Director

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Statement of Operations

Year ended March 31, 2021 with comparative information for 2020

	2021	2020*
Revenue:		
Fundraising Revenue	\$ 4,312,429	\$ 4,859,557
Bequests	194,757	32,522
Funds transferred to other United Ways/Centraides	(12,941)	(3,245)
Gross Fundraising Revenue	\$ 4,494,245	\$ 4,888,834
Pledge shrinkage	(434,959)	(603,063)
Net Fundraising Revenue	\$ 4,059,286	\$ 4,285,771
Grants	518,931	535,552
Sponsorships	27,850	67,185
Investment income	74,646	69,323
Other revenue (Schedule 5)	99,093	189,509
Canada Emergency Support Fund	1,834,035	-
New Horizons for Seniors	102,499	-
Canada Emergency Wage Subsidy	246,951	58,793
Canada Emergency Rent Subsidy	6,028	-
Total Revenue	\$ 6,969,319	\$ 5,206,133
Expenses:		
Fundraising Expenses (Schedule 6)	\$ (1,144,697)	\$ (1,264,042)
Net Revenue available for Community Investments	\$ 5,824,622	\$ 3,942,091
Community Investments		
Transition Funding for Funded Initiatives (Note 8, Schedule 1)	972,974	-
Funding for 2015-20 Funded Initiatives (Schedule 2)	-	2,328,540
COVID Windsor-Essex Emergency Response (Schedule 3)	329,977	1,035
Other Funding (Schedule 4)	94,166	91,574
United Way Delivered Community Programs (Schedule 6, 7)	2,172,990	2,188,824
Designations – HealthPartners & Other Agencies	85,557	77,371
Canada Emergency Support Fund (Note 12)	1,834,035	-
New Horizons for Seniors (Note 12)	102,499	-
Program funding surpluses returned	(31,522)	(828)
Total Community Investments	\$ 5,560,676	\$ 4,686,516
Excess (deficiency) of revenue over expenses	\$ 263,946	\$ (744,425)

See accompanying notes to financial statements.

* certain items have been restated to conform to the current year presentation

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Statement of Changes in Net Assets

Year ended March 31, 2021 with comparative information for 2020

2021	Invested in capital assets	Capital Fund	Tomorrow Fund	Operating Fund	Total
Balance, beginning of year	\$ 151,151	\$ 379,283	\$ 304,712	\$ 2,495,954	\$ 3,331,100
Excess (deficiency) of revenues over expenses	(57,771)	-	219,372	102,345	263,946
Actuarial loss on accrued benefit obligation (Note 7)	-	-	-	(57,620)	(57,620)
Fund transfers	-	50,031	250,000	(300,031)	-
Purchase of capital assets	13,524	(13,524)	-	-	-
Balance, end of year	\$ 106,904	\$ 415,790	\$ 774,084	\$ 2,240,648	\$ 3,537,426

2020	Invested in capital assets	Capital Fund	Tomorrow Fund	Operating Fund	Total
Balance, beginning of year	\$ 84,263	\$ 403,003	\$ 444,757	\$ 3,086,173	\$ 4,018,196
Excess (deficiency) of revenues over expenses	(43,722)	-	34,955	(735,658)	(744,425)
Actuarial gain on accrued benefit obligation (Note 7)	-	-	-	57,329	57,329
Fund transfers	-	86,890	(175,000)	88,110	-
Purchase of capital assets	110,610	(110,610)	-	-	-
Balance, end of year	\$ 151,151	\$ 379,283	\$ 304,712	\$ 2,495,954	\$ 3,331,100

See accompanying notes to financial statements.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Statement of Cash Flows

Year ended March 31, 2021 with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenues over expenses	\$ 263,946	\$ (744,425)
Items not involving cash:		
Amortization of capital assets	57,771	43,722
Non-cash accrued benefit obligation	16,205	19,849
Change in fair value of investments	66,621	(15,775)
Change in non-cash operating working capital		
Fundraising pledges receivable, net	704,388	458,511
Other receivables	57,398	(76,086)
Prepaid expenses	(3,289)	24,865
Accounts payable and accrued liabilities	203,804	79,504
Deferred grant revenue	21,238	180,187
Designated gifts payable	361,677	(67,945)
	1,749,759	(97,593)
Investing activities:		
Short term investments	388,000	(150,000)
Long term investments	(388,000)	150,000
Purchase of capital assets	(13,524)	(110,610)
	(13,524)	(110,610)
Net increase (decrease) in cash and cash equivalents	1,736,235	(208,203)
Cash and cash equivalents, beginning of year	1,747,038	1,955,241
Cash and cash equivalents, end of year	\$ 3,483,273	\$ 1,747,038

Of the above amounts of cash and cash equivalents \$336,796 at March 31, 2021 (2020 - \$183,832) was restricted under the terms of various grant agreements.

See accompanying notes to financial statements.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

1. Purpose of Organization:

United Way/Centraide Windsor-Essex County ("United Way") is a registered Canadian Charitable Public Foundation incorporated as a corporation without share capital under the Corporations Act of Ontario. As a registered charitable public foundation under the Income Tax Act, United Way is exempt from income taxes provided certain requirements of the Income Tax Act are met.

United Way's mission is "Ignite the desire in everyone to improve lives and build strong communities". In 2019 United Way committed to support the collective work of ProsperUs as its backbone organization. ProsperUs is an outcome focussed collective impact initiative of over 50 system-leading organizations from across our community who share accountability to support children from cradle to career.

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

In order to ensure Board and external restrictions placed on the use of resources available to United Way are properly accounted for, resources are classified for accounting and reporting purposes into the following funds:

- (i) The Operating Fund accumulates funds to minimize the effect of adverse economic results in any particular period and to provide cash flow and a source of funds for funding decisions as well as for emergencies and other needs.
- (ii) The Tomorrow Fund was established by the Board of Directors effective January 1, 1994. The purpose of the Fund is to provide funding for Venture grants, capital projects other than land and buildings, emergency funding and other purposes as may be determined by the Board of Directors. Revenue from bequests, memorials, life insurance proceeds, designated gifts and investment income related to investments held in the Fund are transferred to The Tomorrow Fund, net of planned giving expenses.
- (iii) The Capital Fund was established to accumulate funds to support future capital expenditures. Amounts are internally designated to this fund by the Board of Directors.

(b) Revenue recognition:

United Way follows the deferral method of accounting for contributions which include donations and various grants.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

2. Significant accounting policies (continued):

(b) Revenue recognition (continued):

Gifts made that have been received by year end are recognized as revenue in the period they are received. Pledges made during the year are recognized as revenue in the period in which the pledge is received and employee amounts pledged are typically received in the following calendar year by way of payroll deduction. Fundraising expenses are expensed in the period they are incurred.

Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. These, along with designated donations received under flow-through arrangements for other charities that have not been disbursed at period end, are recorded as designated gifts payable on the statement of financial position. Upon disbursement, the payment is recorded as an expense and the donation is recorded as fundraising revenue.

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

Revenue from fees and rental income is recognized when the services are provided.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months. During the year, these funds earned interest at an average of 1.4% (2020 – 3.1%).

(d) Capital assets:

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to United Way's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Leasehold improvements	over the term of the remaining lease
Equipment	3 -10 years

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

2. Significant accounting policies (continued):

(e) Employee future benefits:

United Way maintains a defined contribution pension plan for the benefit of employees. Contributions to the plan by United Way are recognized as they become payable.

United Way also provides post-retirement benefits such as life insurance and health and welfare coverage to certain employees who retire from active employment. Employees commencing employment on or after January 1, 2008 are not eligible for post-retirement benefits.

United Way accrues its obligations for post-retirement benefits as the eligible employees render the services necessary to earn benefits. The actuarial determination of the accrued benefit obligation uses the projected benefit method prorated on service (which incorporates management's best estimate of cost escalation, retirement ages of employees and other actuarial factors). The measurement date of the accrued benefit obligation coincides with United Way's fiscal year. The most recent actuarial valuation of the benefit plans for accounting purposes was as of March 31, 2018.

Actuarial gains (losses) arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Gains and losses are recognized as experienced directly to net assets.

Past service costs arising from plan amendments are also recognized directly to net assets at the date of amendment.

(f) 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 dates of the financial statements and the reported amounts of revenues and expenses during reporting periods.

Significant items subject to such estimates and assumptions include the carrying value of capital assets, the allowance for shrinkage on fundraising pledges receivable, and the valuation of post-retirement benefits. Actual results could differ from those estimates.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

2. Significant accounting policies (continued):

(g) Contributed services:

United Way greatly benefits from the substantial number of hours and other resources contributed by volunteers and organizations in carrying out its mission and service delivery activities. Because of the difficulty in quantifying these contributions and then determining their fair market value, contributed services are not recognized in the financial statements.

(h) 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. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. United Way has elected to carry investments in market-tracking equity funds, fixed income securities and mutual funds at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, United Way determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount United Way expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(i) Allocated expenses:

United Way incurs expenditures related to administration, marketing and communication that are not directly attributable to one aspect of United Way's operations. These expenditures are allocated to the operating activities of Fundraising and United Way Delivered Community Programs based on number of employees and total salary and benefits of the employees in each of those activities, as well as square footage of floor space occupied by each of those activities. Expenditures are not allocated to grant funded programs when these expenses are provided as in-kind support to these activities.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

3. Fundraising pledges receivable:

	2021	2020
Fundraising pledges receivable	\$ 2,600,865	\$ 3,189,966
Less allowance for pledge shrinkage	(1,125,706)	(1,010,419)
	<u>\$ 1,475,159</u>	<u>\$ 2,179,547</u>

4. Investments:

Short term investments

Short term investments comprise fixed income securities which have a weighted average effective interest rate of 0.5% (2020 – 1.7%) and a weighted average term to maturity of 0.46 years (2020 - 0.71 years).

Long term investments

	2021	2020
Fixed income securities	\$ 608,251	\$ 263,071
Common shares	105,393	38,258
Mutual funds / Cash	1,436	1,135
	<u>\$ 715,080</u>	<u>\$ 302,464</u>

The fixed income securities have a weighted average effective interest rate of 0.8% (2020 – 2.6%) and a weighted average term to maturity of 0.92 years (2020 – 1.16 years).

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

5. Capital assets:

2021	Cost	Accumulated amortization	Net book value
Equipment	\$ 555,041	\$ 448,137	\$ 106,904
Leasehold improvements	612,952	612,952	-
	\$ 1,167,993	\$ 1,061,089	\$ 106,904

2020	Cost	Accumulated amortization	Net book value
Equipment	\$ 556,941	\$ 405,790	\$ 151,151
Leasehold improvements	612,952	612,952	-
	\$ 1,169,893	\$ 1,018,742	\$ 151,151

6. Deferred grant revenue:

Deferred grant revenue represents unspent resources externally restricted for special projects received in the current period that will be expended in a future period. Changes in the deferred grant balance are as follows:

	2021	2020
Balance, beginning of year	\$ 334,134	\$ 153,947
Add amount received in the year	532,472	688,935
Less amount recognized as revenue in the year	(511,233)	(508,748)
	\$ 355,372	\$ 334,134

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

7. Accrued benefit obligation:

During 2008 United Way amended plan eligibility criteria for employees and determined that employees commencing employment on or after January 1, 2008, are not eligible for post-retirement benefits. A valuation as at March 31, 2018 extrapolated to March 31, 2021 has been used to determine the benefit costs for the current period. The accrued benefit obligation is unfunded.

The change in the accrued benefit obligation is as follows:

	2021	2020
Accrued benefit obligation, beginning of year	\$ 677,863	\$ 715,343
Net periodic benefit cost:		
Current service cost	12,418	18,339
Interest	25,479	23,488
	37,897	41,827
Less: benefits paid	(21,692)	(21,978)
	16,205	19,849
Actuarial loss (gain) recognized in net assets	57,620	(57,329)
Accrued benefit obligation, end of year	\$ 751,688	\$ 677,863

The significant actuarial assumptions adopted in estimating United Way's accrued benefit obligations are as follows:

	2021	2020
Discount rate	3.25%	3.75%
Health care cost trend rate	6.7% in 2021 decreasing to 4.5% in 2032	6.9% in 2020
Employee average remaining service life	11.5 years	11.5 years

The approximate impact of a change in the discount rate is:

Change in obligation for 1% increase in discount rates	\$ (105,200)
Change in obligation for 1% decrease in discount rates	\$ 142,800

The approximate impact of a change in health insurance trend rates is:

Change in obligation for 1% increase in trend rates	\$ 157,900
Change in obligation for 1% decrease in trend rates	\$ (120,300)

United Way also maintains a defined contribution pension plan for the benefit of employees. Contributions to the plan in the period were \$53,192 (2020 - \$50,196).

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

8. Commitments:

Commitments to Funded Initiatives

United Way is in the process of transitioning all of its impact funding to programs supporting the Cradle to Career strategy of the collective impact initiative known as ProsperUS in three priority neighbourhoods; Downtown Windsor, West Windsor and Leamington. United Way committed transition funding for certain organizations for a period through to March 2022 dependent on continued program delivery and the continued ability of United Way to raise and receive sufficient funds. The maximum amounts that could be paid out under these agreements is \$794,728.

Long-term leases

United Way leases a property located at 300 Giles Blvd. East. In 2015 United Way entered into a new lease commencing July 1, 2015, for a 10 year period to June 30, 2025. Annual future lease payments are \$96,530 until the expiry of the lease.

In addition United Way has commitments under operating leases for office equipment for which the minimum future payments are as follows:

2022	\$2,495
2023	\$2,495
2024	\$ 416

9. Financial risks and concentration of risk:

(a) Investment risk management:

Risk management relates to the understanding and active management of risks associated with all areas of the business and associated operating environment. Investments are primarily exposed to interest rate and market risk. United Way mitigates these risks with an investment policy designed to limit exposure and concentration while achieving an acceptable return within reasonable risk tolerances, consulting with a professional investment advisor.

(b) Currency risk:

United Way is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, United Way receives donations denominated in U.S. dollars and holds a limited amount of funds in U.S. dollars. There has been no significant changes in U.S. dollar holdings from year to year.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

9. Financial risks and concentration of risk (continued):

(c) Credit risk:

Credit risk refers to the risk that a counterparty may not meet its obligations resulting in a financial loss. Fundraising pledges receivable and other receivables are subject to credit risk. United Way assesses collectability and provides for any amounts that are not collectible in the allowance for doubtful accounts. Cash and cash equivalents are held in credit-worthy financial institutions. Cash positions are diversified to short term investments amongst credit worthy financial institutions in order to better address credit risk.

(d) Market and interest rate risks:

The risks associated with the investments are the risks associated with the securities in which the funds are invested. The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. The value of securities will vary with developments within the specific companies or governments which issue the securities. The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. Changes in interest rates may also affect the value of equity securities.

The value of securities denominated in a currency other than Canadian dollars will also be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

(e) Capital and liquidity risks:

United Way's policy is to maintain minimum reserve funds so as to maintain its ability to sustain future development and meet its commitments to funded initiatives. Management and the Board actively monitor cash collections, forecast minimum fund levels as well as forecast fundraising results, funding commitments and operating requirements.

Liquidity risk is the risk that United Way will be unable to fulfill its obligations on a timely basis or at a reasonable cost. United Way manages its liquidity risk by monitoring its operating requirements and cashflows. United Way prepares budget and forecasts to ensure it has sufficient funds to fulfill its obligations.

10. Impacts of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization, and since that time there has been a significant financial, market and social dislocating impact.

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

10. Impacts of COVID-19 (continued):

At the time of approval of these financial statements, United Way has experienced the following:

- Our office location Windsor has been closed for normal activities. Our staff, except for a few program staff, are working remotely from home for the majority of the time. A hybrid return to office model is under development.
- All individuals attending the office are required to wear masks in common areas and whenever maintaining a 2 meter physical distance is not possible. Increased cleaning protocols for offices and equipment have been adopted based on Provincial and Local Public Health recommendations. All individuals accessing the building or interacting with members of the public are required to perform a COVID-19 self-assessment each day
- Employees are encouraged to abide by Provincial recommendations in settings outside of the work environment, on a regular basis
- Temporary layoffs and a work-sharing arrangement were implemented in 2020. All staff have subsequently returned to work.
- Declines in collection of payroll pledges have been experienced while many donors in the community were laid off, particularly with ongoing manufacturing supply-chain issues
- Declines and volatility in the fair value of investment portfolio have been experienced, specifically in equity portion of long-term investments
- Partnerships with senior levels of Government and the United Way movement to manage distribution of emergency funding in response to community immediate need including the Canada Emergency Support Fund and the New Horizons for Seniors Program
- To offset some of these impacts United Way was able to access the Canada Emergency Wage Subsidy and Canada Emergency Rental Subsidy for some periods.

United Way continues to work to build the capacity and resilience of some of the people most affected by poverty. We are addressing the challenges presented by COVID-19, working with partners and other stakeholders to revise and refocus program activities and to ensure we can continue to engage with donors and retain their support. At this time, there continues to be uncertainty over future cash flows, which may cause significant changes to assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect of these items is not practical at this time.

11. Calculation of Cost Revenue Ratios:

In accordance with United Way Centraide Canada's Transparency, Accountability and Financial Reporting Policies, United Way used the following method to calculate certain cost ratios provided to stakeholders in its public communications:

	2021		2020	
Total Revenue	\$ 6,969,319		\$ 5,206,133	
Direct Costs of Fundraising	\$ 781,435	11.2%	\$ 927,114	17.9%
Cost of Administration & Marketing	\$ 363,262	5.2%	\$ 336,263	6.5%
Total Fundraising Expense	\$ 1,144,697	16.4%	\$ 1,271,990	24.4%

UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2021

12. Administrative Expenses – Grant Funding:

Canada Emergency Support Fund grants	\$ 1,764,040	96.2%
Program Support	69,995	3.8%
Total Canada Emergency Support Fund	\$ 1,834,035	100.0%
New Horizons for Seniors grants	\$ 91,849	89.6%
Program Support	10,650	10.4%
Total New Horizons for Seniors	\$ 102,499	100.0%

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Transition Funding for Funded Initiatives

Schedule 1

Year ended March 31, 2021

	2021
Big Brother/Big Sisters of Windsor and Essex County	169,455
East Windsor Community Service Centre (Drouillard Place)	71,965
Family Services Windsor-Essex	274,824
Housing Information Services	48,462
Multicultural Council of Windsor and Essex County	7,998
Sandwich Teen Action Group	69,160
South Essex Community Council	92,280
The House Youth Centre	15,370
Unemployed Help Centre of Windsor Inc.	172,740
Windsor-Essex Family Network	50,720
	<u>\$ 972,974</u>

There are no comparative amounts for the year ended March 31, 2020.

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

2015-20 Funded Initiatives - Lead Agencies by Strategy Type

Schedule 2

Year ended March 31, 2020

2020

POVERTY TO POSSIBILITY

FOOD SECURITY

ACCESS County Community Support Services	ACCESS Seed to Table	\$ 74,480
East Windsor Community Service Centre (Drouillard Place)	Drouillard Road Food Bank	33,440
Salvation Army	Eat Better Do Better	39,520
Unemployed Help Centre of Windsor Inc.	The Food Security Network	172,740

ALL THAT KIDS CAN BE

STRENGTHENING KIDS - OUT OF SCHOOL PROGRAMS

Sandwich Teen Action Group	After-School Youth Program	69,160
South Essex Community Council	SPARK	92,220
The House Youth Centre	Youth Program	92,220

STRENGTHENING KIDS - AFTER-SCHOOL PROGRAMS

East Windsor Community Service Centre (Drouillard Place)	After-School Collaborative - Harrow	14,300
East Windsor Community Service Centre (Drouillard Place)	Drouillard Road After-School Program	43,380
East Windsor Community Service Centre (Drouillard Place)	Glengarry After-School Program	43,380
Housing Information Services	Youth Agora Homework Club	55,330
Housing Information Services	Youth First	39,240
Multicultural Council of Windsor and Essex County	After-School Program	47,990

YOUTH MENTORING

Big Brothers Big Sisters of Windsor and Essex County	Youth Mentoring	338,910
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FAMILY SUPPORTS

Windsor-Essex Family Network	Families Helping Families in Partnership	101,440
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STRONG COMMUNITIES

COUNSELLING AND SUPPORTS

Brain Injury Association of Windsor and Essex County	GOALS	6,780
Family Services Windsor-Essex	Community Counselling Partnership	378,090
Family Services Windsor-Essex	Windsor Pride Community Centre	51,760
Family Services Windsor-Essex	Voluntary Trusteeship	136,540

NEIGHBOURHOOD ENGAGEMENT

Downtown Windsor Community Collaborative	Downtown Windsor Neighbourhood Renewal	73,770
East Windsor Community Service Centre (Drouillard Place)	Ford City Neighbourhood Renewal	106,910
East Windsor Community Service Centre (Drouillard Place)	Glengarry-Marentette Neighbour to Neighbour	109,450
Life After Fifty	Our West End	103,745
Life After Fifty	Promoting Seniors' Independence	103,745

\$ 2,328,540

Funding agreements for the initiatives above ended in March 2020.

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

COVID Windsor-Essex Emergency Response

Schedule 3

Year ended March 31, 2021 with comparative information for 2020

	2021	2020*
COVID Emergency Food Response	\$ 78,787	\$ 1,035
COVID Mental Health Councelling Response	101,190	-
COVID Laid-off Workers Fund	150,000	-
	<u>\$ 329,977</u>	<u>\$ 1,035</u>

Other Funding

Schedule 4

Year ended March 31, 2021 with comparative information for 2020

	2021	2020*
211 - Information and Referral	\$ 48,191	\$ 46,716
Tampon Tuesday	1,051	-
United Way Canada / Centraide Canada	44,924	44,858
	<u>\$ 94,166</u>	<u>\$ 91,574</u>

* certain items have been restated to conform to the current year presentation

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Other Revenue

Schedule 5

Year ended March 31, 2021 with comparative information for 2020

	Fundraising		United Way Delivered Community Programs		Administration and General Operations		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue:								
Occupancy	-	-	-	-	70,337	87,251	70,337	87,251
Other	-	39,713	6,681	42,181	22,075	20,364	28,756	102,258
	\$ -	\$ 39,713	\$ 6,681	\$ 42,181	\$ 92,412	\$ 107,615	\$ 99,093	\$ 189,509

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Operating Expenses

Schedule 6

Year ended March 31, 2021 with comparative information for 2020

	Fundraising		United Way Delivered Community Programs		Administration, Marketing & Communication	
	2021	2020*	2021	2020*	2021	2020*
Salaries	\$ 424,499	\$ 509,684	\$ 1,092,732	\$ 1,054,049	\$ 450,189	\$ 388,284
Fringe benefits	94,048	107,059	179,309	161,594	89,277	86,070
Occupancy	72,239	83,634	52,414	65,082	76,400	88,452
Office	15,641	19,582	24,577	25,846	19,375	24,422
Recruitment and education	-	4,528	27,146	22,150	2,781	14,136
Promotion and publicity	103,565	139,296	4,754	40,769	2,608	403
Purchased services	48,748	37,380	45,417	128,418	55,545	40,929
Amortization of capital assets	19,257	14,574	19,257	14,574	19,257	14,574
Program Supplies & Misc.	3,438	11,377	364,121	339,414	11,093	16,586
	<u>781,435</u>	<u>927,114</u>	<u>1,809,727</u>	<u>1,851,896</u>	<u>726,525</u>	<u>673,856</u>
Allocation of administration, marketing and communication expenses	363,262	336,928	363,263	336,928	(726,525)	(673,856)
	<u>\$ 1,144,697</u>	<u>\$ 1,264,042</u>	<u>\$ 2,172,990</u>	<u>\$ 2,188,824</u>	<u>\$ -</u>	<u>\$ -</u>

* certain items have been restated to conform to the current year presentation

UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Operating Expenses -
United Way Delivered Community Programs by Activity

Schedule 7

Year ended March 31, 2021 with comparative information for 2020

	2021	2020*
Community Investment Planning & Oversight	\$ 83,101	\$ 155,073
Labour Programs & Services	97,642	123,122
Labour Appreciation Awards	-	33,258
Training & Workshops	-	29,784
COVID Emergency Response Support	111,208	-
Cradle to Career Development & Engagement	346,435	305,376
Cradle to Career Data & Evaluation	287,621	125,719
ProsperUS Leadership Council	4,431	11,443
Volunteer Centre	21,962	124,448
Student, Youth, Women and Retiree Engagement	254,983	360,992
On Track to Success	382,009	434,041
On Track to Success - Post Secondary Access and Inclusion	133,862	126,417
On Track to Success - Program Evaluation	25,720	22,784
Summer / Youth Nutrition Program	189,695	72,059
Backpacks for Success	37,603	36,669
WESTEAM Program	120,935	121,748
Community Benefits	38,387	49,805
Community Meeting Rooms	37,396	56,086
	\$ 2,172,990	\$ 2,188,824

* certain items have been restated to conform to the current year presentation