

Financial Statements of

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

Year ended March 31, 2024



**KPMG LLP**

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## **INDEPENDENT AUDITOR'S 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, 2024
- 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, 2024, 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- 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.
- 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 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 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada  
September 26, 2024

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

## Statement of Financial Position

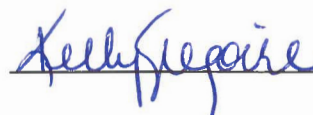
March 31, 2024 with comparative information for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,147,114	\$ 1,553,557
Short-term investments (note 4)	203,252	624,666
Fundraising pledges receivable, net (note 3)	1,621,664	1,774,611
Other receivables	198,441	134,263
Prepaid expenses	56,213	44,401
	<u>3,226,684</u>	<u>4,131,498</u>
Long-term investments (note 4)	548,704	883,770
Capital assets (note 5)	163,033	260,041
	<u>\$ 3,938,421</u>	<u>\$ 5,275,309</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 301,149	\$ 732,936
Payable to Opportunities United, Community Initiative (note 6)	367,466	-
Deferred grant revenue (note 7)	220,166	234,029
Designated gifts payable	590,695	728,918
	<u>1,479,476</u>	<u>1,695,883</u>
Accrued benefit obligation (note 8)	451,869	445,158
Net assets:		
Invested in capital assets	163,033	260,041
Internally designated for Capital Fund (note 2)	241,603	186,095
Internally designated for Tomorrow Fund (note 2)	561,160	874,275
Internally designated for Operating Fund (note 2)	1,041,280	1,813,857
	<u>2,007,076</u>	<u>3,134,268</u>
Commitments (note 9)		
	<u>\$ 3,938,421</u>	<u>\$ 5,275,309</u>

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

On behalf of the Board of Directors:

 Director

 Director

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

## Statement of Operations

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
<b>Revenue:</b>		
Fundraising Revenue	\$ 4,342,667	\$ 4,808,643
Bequests	30,415	15,174
Funds transferred to other United Ways/Centraides	(1,257)	(675)
Gross Fundraising Revenue	4,371,825	4,823,142
Pledge shrinkage	(264,567)	(355,565)
Net Fundraising Revenue	4,107,258	4,467,577
Grants	458,267	449,728
Sponsorships	41,927	29,616
Investment income	135,138	81,901
Other revenue (Schedule 5)	144,699	162,441
Canada Community Support Relief Fund	1,622,254	44,813
Total Revenue	6,509,543	5,236,076
<b>Expenses:</b>		
Fundraising Expenses (Schedule 6)	(1,454,955)	(1,483,392)
Net Revenue available for Community Investments	5,054,588	3,752,684
<b>Community Investments</b>		
Funding for Cradle to Career Strategies (Note 9, Schedule 1)	2,268,177	1,296,385
United Way Delivered Cradle to Career Programming (Schedules 4, 6)	2,177,635	3,148,873
Transition Funding for Funded Initiatives (Schedule 2)	-	94,523
Other Funding (Schedule 3)	111,322	100,739
Designations – HealthPartners & Other Agencies	111,690	105,463
Program surpluses returned	(109,298)	-
Canada Community Support Relief Fund (Note 13)	1,622,254	44,813
Total Community Investments	6,181,780	4,790,796
Deficiency of revenue over expenses	\$ (1,127,192)	\$ (1,038,112)

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

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

## Statement of Changes in Net Assets

Year ended March 31, 2024 with comparative information for 2023

2024	Invested in capital assets	Capital Fund	Tomorrow Fund	Operating Fund	Total
Balance, beginning of year	\$ 260,041	\$ 186,095	\$ 874,275	\$ 1,813,857	\$ 3,134,268
(Deficiency) excess of revenue over expenses	(129,167)	-	77,885	(1,075,910)	(1,127,192)
Fund transfers	-	87,667	(391,000)	303,333	-
Purchase of capital assets	32,159	(32,159)	-	-	-
Balance, end of year	\$ 163,033	\$ 241,603	\$ 561,160	\$ 1,041,280	\$ 2,007,076

2023	Invested in capital assets	Capital Fund	Tomorrow Fund	Operating Fund	Total
Balance, beginning of year	\$ 186,330	\$ 295,032	\$ 875,725	\$ 2,748,403	\$ 4,105,490
(Deficiency) excess of revenue over expenses	(108,751)	-	23,550	(952,911)	(1,038,112)
Actuarial gain on accrued benefit obligation (Note 8)	-	-	-	66,890	66,890
Fund transfers	-	73,525	(25,000)	(48,525)	-
Purchase of capital assets	182,462	(182,462)	-	-	-
Balance, end of year	\$ 260,041	\$ 186,095	\$ 874,275	\$ 1,813,857	\$ 3,134,268

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

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

## Statement of Cash Flows

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	\$(1,127,192)	\$(1,038,112)
Items not involving cash:		
Amortization of capital assets	129,167	108,751
Non-cash accrued benefit obligation	6,711	6,764
Change in fair value of investments	(64,788)	(17,927)
Change in non-cash operating working capital		
Fundraising pledges receivable, net	152,947	159,628
Other receivables	(64,178)	28,356
Prepaid expenses	(11,812)	9,096
Accounts payable and accrued liabilities	(431,787)	107,434
Amount due to Opportunities United, Community Initiative	367,466	-
Deferred grant revenue	(13,863)	(25,162)
Designated gifts payable	(138,223)	(324,599)
	(1,195,552)	(985,771)
Investing activities:		
Short term investments	438,732	(200,000)
Long term investments	382,536	-
Purchase of capital assets	(32,159)	(182,462)
	789,109	(382,462)
Net decrease in cash and cash equivalents	(406,443)	(1,368,233)
Cash and cash equivalents, beginning of year	1,553,557	2,921,790
Cash and cash equivalents, end of year	\$ 1,147,114	\$ 1,553,557

As at March 31, 2024 cash and cash equivalents of \$187,676 at (2023 - \$188,349) was restricted under the terms of various grant agreements.

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



# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 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 Ontario Not-for-Profit Corporations Act. 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 to "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 focused 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, 2024

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## 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 5.5% (2023 – 3.0%).

### (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:

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

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# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 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, 2022.

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.

### (g) Comparative information:

Certain comparative figures have been reclassified from the previous financial statements to conform to the presentation of the current year financial statements.

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 2. Significant accounting policies (continued):

### (h) 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.

### (i) 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.

### (j) 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, 2024

## 3. Fundraising pledges receivable:

	2024	2023
Fundraising pledges receivable	\$ 2,152,942	\$ 2,443,542
Less allowance for pledge shrinkage	(531,278)	(668,931)
	\$ 1,621,664	\$ 1,774,611

## 4. Investments:

### *Short term investments*

Short term investments comprise fixed income securities which have a weighted average effective interest rate of 5.0% (2023 – 3.7%) and a weighted average term to maturity of 0.6 years (2023 – 0.9 years).

### *Long term investments*

	2024	2023
Fixed income securities	\$ 381,289	\$ 724,388
Common shares	61,853	125,505
Mutual funds / Cash	105,562	33,877
	\$ 548,704	\$ 883,770

The fixed income securities have a weighted average effective interest rate of 4.4% (2023 – 4.0%) and a weighted average term to maturity of 2.5 years (2023 – 2.3 years).

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

## 5. Capital assets:

2024	Cost	Accumulated amortization	Net book value
Equipment	\$ 732,908	\$ 569,875	\$ 163,033
Leasehold improvements	612,952	612,952	-
	<u>\$ 1,345,860</u>	<u>\$ 1,182,827</u>	<u>\$ 163,033</u>

2023	Cost	Accumulated amortization	Net book value
Equipment	\$ 723,223	\$ 463,182	\$ 260,041
Leasehold improvements	612,952	612,952	-
	<u>\$ 1,336,175</u>	<u>\$ 1,076,134</u>	<u>\$ 260,041</u>

## 6. Opportunities United, Community Initiative:

On July 1, 2023 Opportunities United, Community Initiative ("Opportunities United") commenced activities, having attained charitable status and awarded grant funding from United Way. Opportunities United delivers certain programs which had previously been activities of United Way. On July 1, 2023, employees previously working for United Way were hired, and the following assets and liabilities were transferred to Opportunities United:

Initial transfer of assets and liabilities

Cash and cash equivalents	\$ 105,000
Accrued liabilities	(112,030)
Accrued student bursaries	(365,759)
<u>Net liabilities transferred</u>	<u>\$ (372,789)</u>

A corresponding amount payable to Opportunities United was recognized.

During the year, United Way licenced the use of office equipment, office space, and computer equipment to Opportunities United at cost, and provided services at cost for Corporate Governance, Human Resource Administration, Bookkeeping and Financial Management and IT support. The total amount of services provided was \$151,801.

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

## 7. 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:

	2024	2023
Balance, beginning of year	\$ 234,029	\$ 259,191
Add amount received in the year	328,352	374,837
Less amount recognized as revenue in the year	(342,215)	(399,999)
	\$ 220,166	\$ 234,029

## 8. 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, 2022 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:

	2024	2023
Accrued benefit obligation, beginning of year	\$ 445,158	\$ 505,284
Net periodic benefit cost:		
Current service cost	7,981	9,573
Interest	22,074	20,135
	30,055	29,708
Less: benefits paid	(23,344)	(22,944)
	6,711	6,764
Actuarial gain recognized in net assets	-	(66,890)
Accrued benefit obligation, end of year	\$ 451,869	\$ 445,158

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

	2024	2023
Discount rate	5.00%	5.00%
Health care cost trend rate	7.0% in 2022 decreasing to 4.0% in 2042	
Employee average remaining service life	11.2 years	11.2 years

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

**8. Accrued benefit obligation (continued):**

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

Change in obligation for 1% increase in discount rates	\$	(54,200)
Change in obligation for 1% decrease in discount rates	\$	67,800

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

Change in obligation for 1% increase in trend rates	\$	76,800
Change in obligation for 1% decrease in trend rates	\$	(58,700)

United Way also maintains a defined contribution pension plan for the benefit of employees. Contributions to the plan in the period were \$69,235 (2023 - \$74,511).

**9. Commitments:**

***Funded Initiatives***

United Way provides funding to funded partners supporting the Cradle to Career strategy of the collective impact initiative known as ProsperUS in three priority neighbourhoods; Downtown Windsor, West Windsor and Leamington. In March 2022 the ProsperUS collective, for which United Way is the backbone organization, announced the launch of Ignite Academy, a set of comprehensive out-of-school supports with a funding commitment of \$6.5m over 5 years commencing that year.

The above commitments are dependent on continued program delivery and the continued ability of United Way to raise and receive sufficient funds.

***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:

2025	\$2,268
2026	\$2,268
2027	\$2,268
2028	\$567



# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 10. Subsequent event:

During the summer of 2023, United Way entered formal discussions with United Way Centraide Canada to develop a regionalization plan with the aim of building organizational capacity in Chatham-Kent and Windsor-Essex. In June 2024, a transfer agreement was agreed between United Way/Centraide Windsor-Essex County and United Way of Chatham Kent. Effective July 1, 2024, responsibility for the Windsor-Essex and Chatham-Kent geographies was conferred by United Way Centraide Canada on United Way/Centraide Windsor-Essex County and the organization commenced doing business as **United Way Centraide Windsor-Essex Chatham-Kent**. Assets received from United Way of Chatham Kent are to be used to fund activities and programs in Chatham-Kent. The organization did not assume any liabilities as part of the transfer agreement.

## 11. 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.

### (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.

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 11. Financial risks and concentration of risk (continued):

(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.

## 12. Calculation of cost to revenue ratios:

United Way follows the reporting guidelines as outlined in its membership agreement with United Way Centraide Canada. As part of these guidelines, each member calculates fundraising and allocation ratios. These ratios are summarized as follows:

	2024		2023	
Total Revenue	\$6,509,543		\$ 5,236,076	
Direct Costs of Fundraising	\$ 1,053,543	16.2%	\$ 1,003,722	19.2%
Cost of Administration & Marketing	\$ 401,412	6.2%	\$ 479,670	9.2%
Total Fundraising Expense	\$ 1,454,955	22.4%	\$ 1,483,392	28.3%

# UNITED WAY/CENTRAIDE WINDSOR-ESSEX COUNTY

Notes to Financial Statements

Year ended March 31, 2024

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## 13. Canada Community Support Relief Fund

In 2023 United Way entered into an agreement with United Way Centraide Canada to locally administer the Government of Canada's Community Support Relief Fund. Funding of \$1,535,605 was received which was subsequently granted in the year to successful applicants in the Windsor-Essex and Chatham-Kent communities.

Funding of \$198,724 was received in the prior year, being the portion allocated for administration of the program over 2 years. Of this amount, \$86,849 (2023 - \$44,813) was used in the year.

# UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Funding for Cradle to Career Strategies

Schedule 1

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
<i>Ignite Academy - Milestones 2 &amp; 3</i>		
Arts Can Teach	48,715	50,544
Big Brother/Big Sisters of Windsor and Essex County	139,378	139,825
Family Services Windsor-Essex	79,176	316,708
Opportunities United, Community Initiative	183,056	-
Multicultural Council of Windsor and Essex County	552,417	303,310
South Essex Community Council	335,909	313,258
	1,338,651	1,123,645
<i>On Track to Success - Milestone 4</i>		
Opportunities United, Community Initiative	756,786	-
<i>Food Security</i>		
Unemployed Help Centre of Windsor Inc.	172,740	172,740
	\$ 2,268,177	\$ 1,296,385

Transition Funding for Funded Initiatives

Schedule 2

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
Family Services Windsor-Essex	-	94,523
	\$ -	\$ 94,523

Other Funding

Schedule 3

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
211 - Information and Referral	\$ 51,421	\$ 47,896
Tampon Tuesday	16,127	11,602
United Way Canada / Centraide Canada	43,774	41,241
	\$ 111,322	\$ 100,739

# UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Operating Expenses -  
United Way Delivered Cradle to Career Programs

Schedule 4

Year ended March 31, 2024 with comparative information for 2023

	2024	2023
Cradle to Career Leadership and Development		
Community Investment Planning & Oversight	\$ 73,312	\$ 64,205
Cradle to Career Development	325,426	210,452
Cradle to Career Data & Evaluation General	257,645	221,473
Cradle to Career Capacity Building	110,072	133,918
Cradle to Career Solution Development	128,084	290,052
Cradle to Career Advocacy	107,127	147,853
ProsperUS Leadership Council	21,773	13,987
	<u>1,023,439</u>	<u>1,081,940</u>
Cradle to Career Direct Programming		
Ignite Academy Academic Support - Milestone 2 & 3	44,023	82,509
On Track to Success - Milestone 4	368,123	1,036,833
On Track to Success - Milestone 4 - Post Secondary Access & Inclusion	21,115	90,377
Summer Eats Nutrition Program	122,408	120,802
Backpacks for Success	28,295	51,892
Rebuilding Wheels Rebuilding Lives	1,941	3,272
School Lunch Pilot Program	4,000	-
	<u>589,905</u>	<u>1,385,685</u>
Other Programming and Engagement		
Labour Programs & Services	137,736	148,386
Labour Appreciation Awards	16,050	15,024
Up2Youth Program	69,935	84,388
Volunteer Centre	32,297	28,058
Student, Youth, Women and Retiree Engagement	263,907	322,871
Community Meeting Rooms	44,366	43,450
Community Benefits Development	-	39,071
	<u>564,291</u>	<u>681,248</u>
	<u>\$ 2,177,635</u>	<u>\$ 3,148,873</u>

# UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Other Revenue

Schedule 5

Year ended March 31, 2024 with comparative information for 2023

	Fundraising		United Way Delivered Community Programs		Administration and General Operations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenue:								
Occupancy	-	-	-	-	78,000	76,102	78,000	76,102
Other	14,723	1,670	35,943	59,437	16,033	25,232	66,699	86,339
	\$ 14,723	\$ 1,670	\$ 35,943	\$ 59,437	\$ 94,033	\$ 101,334	\$ 144,699	\$ 162,441

# UNITED WAY / CENTRAIDE WINDSOR - ESSEX COUNTY

Schedule of Operating Expenses

Schedule 6

Year ended March 31, 2024 with comparative information for 2023

	Fundraising		United Way Delivered Community Programs		Administration, Marketing & Communication	
	2024	2023	2024	2023	2024	2023
Salaries	\$ 625,305	\$ 624,731	\$ 918,108	\$ 1,465,102	\$ 418,267	\$ 585,269
Fringe benefits	135,678	124,523	201,209	296,494	113,925	111,043
Occupancy	85,701	83,931	74,850	85,721	90,639	88,767
Office	11,288	16,178	26,240	36,152	11,552	19,765
Recruitment and education	5,300	2,358	16,874	37,969	11,866	12,828
Promotion and publicity	105,954	75,918	26,498	19,518	19,617	19,639
Purchased services	49,476	44,947	60,185	74,898	73,213	70,804
Amortization of capital assets	24,519	21,255	80,129	66,241	24,519	21,255
Program Supplies & Misc.	10,322	9,881	372,130	587,108	39,226	29,970
	1,053,543	1,003,722	1,776,223	2,669,203	802,824	959,340
Allocation of administration, marketing and communication expenses	401,412	479,670	401,412	479,670	(802,824)	(959,340)
	\$ 1,454,955	\$ 1,483,392	\$ 2,177,635	\$ 3,148,873	\$ -	\$ -