



**UNITED WAY  
of Bruce Grey**

**Financial Statements**

**December 31, 2023**



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**UNITED WAY OF BRUCE GREY**  
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**DECEMBER 31, 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **United Way of Bruce Grey**:

### **Qualified Opinion**

We have audited the financial statements of **United Way of Bruce Grey** (the Organization), which comprise the statement of financial position as at December 31, 2023 and the statements of operations and changes in fund balances and cash flow 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 the Organization as at December 31, 2023, and results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Qualified Opinion**

**United Way of Bruce Grey** derives revenue from charitable donations and fundraising activities, 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. Consequently, we were unable to determine whether any adjustments were necessary to revenues, excess of revenues over expenditures, and cash flows for the years ended December 31, 2023 and December 31, 2022 and assets and fund balances as at December 31, 2023 and December 31, 2022. Our audit opinion for both years was modified accordingly because of the possible effect of this scope limitation.

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 qualified 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Baker Tilly SGB LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Owen Sound, Ontario  
March 26, 2024

**UNITED WAY OF BRUCE GREY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31**

	Operating Fund \$	Endowment Fund \$	SAFE Fund \$	2023 \$	2022 \$
<b>Assets</b>					
Current					
Cash	626,616	-	27,081	<b>653,697</b>	869,510
Accounts receivable	45,586	-	-	<b>45,586</b>	69,435
HST receivable	9,990	-	-	<b>9,990</b>	14,011
Due from (to) funds	8,542	-	(8,542)	-	-
Investments (Note 3)	-	9,738	-	<b>9,738</b>	11,580
Inventory	29,191	-	-	<b>29,191</b>	26,584
Prepaid expenses	25,108	-	-	<b>25,108</b>	9,665
	<b>745,033</b>	<b>9,738</b>	<b>18,539</b>	<b>773,310</b>	<b>1,000,785</b>
<b>Liabilities</b>					
Current					
Accounts payable and accrued liabilities	36,344	-	-	<b>36,344</b>	53,370
Government remittance payable	7,784	-	-	<b>7,784</b>	9,914
Deferred revenue (Note 4)	425,403	-	18,539	<b>443,942</b>	663,933
	<b>469,531</b>	<b>-</b>	<b>18,539</b>	<b>488,070</b>	<b>727,217</b>
Fund balances	<b>275,502</b>	<b>9,738</b>	<b>-</b>	<b>285,240</b>	<b>273,568</b>
	<b>745,033</b>	<b>9,738</b>	<b>18,539</b>	<b>773,310</b>	<b>1,000,785</b>

Approved on behalf of the board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**UNITED WAY OF BRUCE GREY**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31**

	Operating Fund \$	Endowment Fund \$	SAFE Fund \$	2023 \$	2022 \$
<b>Revenue</b>					
Campaign	700,417	-	-	<b>700,417</b>	518,997
Grants and other contributions (Schedule 1)	1,172,588	-	6,166	<b>1,178,754</b>	938,383
Rental revenue	4,300	-	-	<b>4,300</b>	14,950
Investment income (loss)	15,808	(1,842)	1,178	<b>15,144</b>	10,102
	<b>1,893,113</b>	<b>(1,842)</b>	<b>7,344</b>	<b>1,898,615</b>	<b>1,482,432</b>
<b>Fundraising expenditures</b> (Schedule 2)	<b>202,894</b>	<b>-</b>	<b>-</b>	<b>202,894</b>	<b>167,078</b>
Net revenue available for community impact	1,690,219	(1,842)	7,344	<b>1,695,721</b>	1,315,354
<b>Community impact expenditures</b> (Schedule 2)	<b>1,676,705</b>	<b>-</b>	<b>7,344</b>	<b>1,684,049</b>	<b>1,378,351</b>
<b>Excess of expenditures over revenue</b>	<b>13,514</b>	<b>(1,842)</b>	<b>-</b>	<b>11,672</b>	<b>(62,997)</b>
Fund balances at beginning of year	261,988	11,580	-	<b>273,568</b>	336,565
<b>Fund balances at end of year</b>	<b>275,502</b>	<b>9,738</b>	<b>-</b>	<b>285,240</b>	<b>273,568</b>

See accompanying notes to the financial statements

**UNITED WAY OF BRUCE GREY**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31**

	2023 \$	2022 \$
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures	11,672	(62,997)
Items not involving cash		
Change in		
Accounts receivable	23,849	(40,413)
HST receivable	4,021	5,717
Inventory	(2,607)	13,107
Prepaid expenses	(15,443)	(8,270)
Accounts payable and accrued liabilities	(17,025)	12,706
Government remittance payable	(2,130)	1,588
Deferred revenue	(219,992)	(155,505)
	<u>(217,655)</u>	<u>(234,067)</u>
<b>Financing and investing activities</b>		
Increase in investments	<u>1,842</u>	<u>(394)</u>
<b>Change in cash</b>	<b>(215,813)</b>	<b>(234,461)</b>
Cash at beginning of year	<u>869,510</u>	<u>1,103,971</u>
<b>Cash at end of year</b>	<b><u>653,697</u></b>	<b><u>869,510</u></b>

See accompanying notes to the financial statements



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**UNITED WAY OF BRUCE GREY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2023**

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**Purpose of the organization**

The United Way of Bruce Grey is a non-profit, non-partisan, volunteer driven Organization that engages in an effort to mobilize resources to support a broad range of non-profit human care services. It exists to improve the quality of life of all people in the Counties of Bruce and Grey by raising and investing money in services and programs that help meet human needs in our communities.

The United Way operates according to the highest standards of conduct consistent with its commitment to volunteerism, integrity, accountability, accessibility, being apolitical and having respect for donors, service providers, and the users of services.

The United Way is a charitable Organization registered under the Income Tax Act of Canada and, as such, is exempt from income taxes.

**1. Summary of significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies applied in accordance with these standards are as follows:

**(a) Fund accounting**

The purpose of the Operating Fund is to conduct annual fundraising campaigns to raise funds for distribution to other charitable organizations and the community and to cover fundraising, program, and building expenditures. The rental revenue from the Centre and the corresponding expenses are recorded in the Operating Fund.

The purpose of the Endowment Fund, established in 2007 through an investment with the Community Foundation of Grey Bruce, is to provide funding for future initiatives. These may include, but are not limited to, the following purposes; bequest/endowment funds, United Way Capital fund, new initiatives, grants, agencies' capital campaigns, and guaranteed sustaining allocations when the annual campaign is lower than previous performances. Should the United Way cease to exist, the income from the Endowment Fund would be disbursed by the Foundation's Board of Directors to charities in the community working for the betterment of the communities in a manner consistent with the historic role of the United Way.

The purpose of the SAFE (Supportive Assistance for Emergencies) Fund is to support and maintain persons displaced or left homeless in Bruce and Grey counties as a result of a natural or man-made disaster where the losses of such persons are not wholly or partially covered by insurance. United Way of Bruce Grey uses the fund name "SAFE" in reference to the Court Order named fund Disaster Relief Fund.

**(b) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and cash deposited in Canadian bank accounts.

**(c) 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 amount of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**UNITED WAY OF BRUCE GREY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2023**

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**1. Summary of significant accounting policies (continued)**

**(d) Revenue recognition**

United Way of Bruce Grey follows the deferral method of accounting for contributions.

The Organization holds several fundraising campaigns annually, including a fall workplace campaign and various special events. Campaign revenue, proceeds from special events and one-time donations generated during any one year are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured. Fundraising and program expenditures are expensed as incurred.

All campaign revenue, proceeds from special events and one-time donations are considered available for unrestricted use with the exception of donor designations.

Donor designations represent donations made by individuals and corporations which are designed to be distributed to other United Ways, Member Agencies of the United Way and/or other charitable organizations. Donor designations are paid to the designated agencies annually. Donor designated donations which have been collected in the current year but have not yet been paid to designated agencies are reported as deferred donor designations.

Donations and grants restricted for a specific purpose by the contributor are reported as deferred revenue and are recognized as income in the same period that the eligible expenditure is incurred.

Investment income, rental income, endowment fund income, and other income is recognized on the accrual basis as it is earned. Investment income earned is retained in the fund to which the investments are held.

Government subsidies are recognized when there is reasonable assurance that the subsidy will be received and all attached conditions will be complied with. The Organization recognizes the subsidy as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

**(e) Financial instruments**

The Organization initially measures its financial assets and financial liabilities at fair value and subsequently measures all its financial assets and liabilities at amortized cost, except for investments.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial instruments reported at fair market value are investments with the Community Foundation Grey Bruce. Fair value for these investments is readily available. Changes in fair value are recognized in net income.

Financial liabilities measured at amortized cost include accounts payable.

**(f) Gifts in kind**

The Organization receives a limited amount of in-kind donations, that include consumables for special events and equipment for donation to the community at large. These financial statements do not reflect any revenue or expenditures related to gifts in kind.

**(g) Contributed services**

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

**UNITED WAY OF BRUCE GREY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2023**

**1. Summary of significant accounting policies (continued)**

**(h) Allocation of expenditures**

The Organization reports costs for its operations by program. Costs that can be identified to a specific program are allocated directly to that program. Administrative expenditures generally include costs to run the day-to-day operations, which includes occupancy, support staff, office supplies, contract services, training and board expenses. Administrative expenditures are allocated to fundraising and community impact proportionally on the basis of level of effort attributed to each.

Administrative expenditures are allocated as follows:

	<b>2023</b>		<b>2022</b>	
	\$	%	\$	%
Fundraising	67,132	22	57,590	23
Community impact	235,042	78	196,922	77
	<b>302,174</b>	<b>100</b>	<b>254,512</b>	<b>100</b>

**(i) Calculation of cost revenue ratios**

In accordance with United Way Canada's Transparency, Accountability and Financial Reporting policies, United Way uses the following method to calculate cost revenue ratios ("CRR"):

	<b>2023</b>	<b>2022</b>
Total revenue for CRR calculation	1,898,615	1,482,432
Total fundraising expenses (Schedule 2)	202,894	167,078
Total fundraising expenses as a percentage of total revenue	10.7 %	11.3 %

**2. United Way centre**

In 2006 the County of Grey transferred title of the building where the United Way Centre now resides for the nominal consideration of \$1.

**3. Investments**

	<b>2023</b>	<b>2022</b>
	\$	\$
Endowment fund		
Community Foundation Grey Bruce (cost - \$8,191)	9,738	11,580

**4. Deferred revenue**

Deferred revenue represents donations and grants restricted by the contributor for a specific purpose that were not spent at year end.

Continuity schedule as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Deferred revenue at beginning of year	663,933	819,439
Restricted program revenue received during year	436,896	726,000
Restricted program revenue recognized during year	(656,887)	(881,506)
Deferred revenue at end of year	<b>443,942</b>	<b>663,933</b>

**UNITED WAY OF BRUCE GREY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2023**

**4. Deferred revenue (continued)**

Deferred revenue is comprised of the following:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Bruce Grey United for Refugees	16,089	16,089
Children's Alliance	2,944	4,166
Community Foundation Grey Bruce grants	9,609	10,494
Community Services Recovery Fund	25,086	-
Food Security	55,121	106,580
Hope for Our Kids	41,388	9,564
Mattress Program	3,069	3,069
Miscellaneous	29,539	17,978
Outreach SOS	31,585	38,225
Pandemic Relief	90,862	176,563
Reconciliation Garden	6,009	49,319
Safe Fund	18,539	24,705
Utility Assistance Program	87,998	177,181
Van Operations	26,104	30,000
	<hr/>	<hr/>
	<b>443,942</b>	<b>663,933</b>
	<hr/>	<hr/>

**5. Financial instruments**

The Organization's exposure to risks from financial instruments is described as follows:

**(a) Credit risk**

Credit Risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk in connection with the collection of its accounts receivable. The Organization mitigates this risk by maintaining payment policies and collection procedures and does not anticipate significant loss for non-collection.

**(b) Liquidity risk**

Liquidity Risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization believes it has a strategy in place so that future cash flows will satisfy its obligations.

**6. Comparative information**

Certain comparative figures have been reallocated to conform with the current year's presentation.

**7. Economic dependence**

A significant portion of the Organization's revenue is derived from Bruce Power and its suppliers. The Organization is financially dependent on Bruce Power.

**UNITED WAY OF BRUCE GREY  
GRANTS AND OTHER CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31**

	<b>SCHEDULE 1</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Backpack Program	<b>50,413</b>	61,792
Bruce Grey United for Newcomers	-	6,549
Children's Alliance	<b>5,770</b>	9,741
Community Foundation Grey Bruce Grants	<b>5,192</b>	29,153
Financial Literacy Program	<b>45,793</b>	54,217
Food Security	<b>53,449</b>	65,371
Hope for Our Kids	<b>301</b>	26,805
Mattress Program	<b>54,724</b>	5,000
Miscellaneous	<b>3,494</b>	23
Outreach SOS	<b>113,407</b>	106,342
Pandemic Relief	<b>525,981</b>	113,627
Poverty Task Force	<b>41,370</b>	46,483
Reconciliation Garden	<b>43,360</b>	8,002
Seniors Fair	-	21,166
Seniors Centre Without Walls	-	19,794
Small Jobs Project	<b>30,834</b>	37,101
Utility Assistance Program	<b>198,500</b>	306,518
	<b>1,172,588</b>	917,684

See accompanying notes to the financial statements

**UNITED WAY OF BRUCE GREY**  
**SCHEDULE OF EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31**

	<b>SCHEDULE 2</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>FUNDRAISING</b>		
Advertising	<b>4,366</b>	7,835
Allocated administrative expenditures	<b>67,132</b>	57,590
Direct campaign costs	<b>81,293</b>	64,183
Wages and employee benefits	<b>50,103</b>	37,470
	<b>202,894</b>	167,078
<b>COMMUNITY IMPACT</b>		
Allocated administrative expenditures	<b>235,042</b>	196,922
Backpack Program	<b>93,817</b>	82,624
Bruce Grey United for Newcomers	<b>51</b>	6,549
Children's Alliance	<b>5,770</b>	9,741
Community Impact Grants	<b>120,000</b>	120,000
Financial Literacy Program	<b>49,565</b>	60,123
Food Security	<b>53,506</b>	65,371
Hope For Our Kids	<b>1,122</b>	27,647
Independent Project expenditures	<b>7,443</b>	13,749
Mattress Program	<b>54,724</b>	5,000
Other Programs	<b>2,730</b>	32,153
Outreach SOS	<b>115,770</b>	111,882
Pandemic Relief	<b>525,981</b>	100,722
Poverty Task Force	<b>60,456</b>	59,158
Reconciliation Garden	<b>43,360</b>	8,002
Seniors Centre Without Walls	-	19,794
Seniors Fair	-	21,166
Small jobs project	<b>48,662</b>	50,006
United Way of Canada Affiliation Fees	<b>14,092</b>	15,031
Utility Assistance Program	<b>198,892</b>	306,518
211 - Community Connection	<b>45,722</b>	45,000
	<b>1,676,705</b>	1,357,158

See accompanying notes to the financial statements