

# **UNITED WAY OF REGINA**

**Financial Statements**

**June 30, 2022**

# UNITED WAY OF REGINA

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of United Way of Regina have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of United Way of Regina's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the organization's auditors to review significant accounting, reporting and internal control matters. Following review of the financial statements and discussions with the auditors, the Committee recommends to the Board of Directors the approval of the financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members of the United Way of Regina, in accordance with Canadian Auditing Standards.

R. Edwards-Bentz  
Chief Executive Officer

Sept. 28, 2022  
Date



## INDEPENDENT AUDITORS' REPORT

### To the Members, United Way of Regina

#### *Opinion*

We have audited the financial statements of United Way of Regina (the "Organization"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2022, and its financial performance and 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 report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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.

#### *Information Other than the Financial Statements and Auditors' Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### *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.

continued...

## INDEPENDENT AUDITORS' REPORT continued

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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

September 20, 2022  
Regina, Saskatchewan

VIRTUS GROUP LLP  
Chartered Professional Accountants

# UNITED WAY OF REGINA

## Statement of Financial Position As at June 30, 2022 (with comparative figures at June 30, 2021)

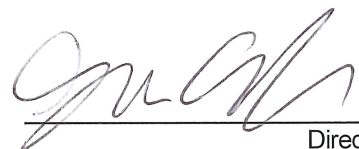
	Operating Fund	Tomorrow Fund	Total 2022	Total 2021
<b>Assets</b>				
<b>Current assets</b>				
Cash	\$ 443,451	\$ -	\$ 443,451	\$ 697,098
Investments (Note 3)	2,090,758	-	2,090,758	1,746,041
Accounts receivable	84,329	-	84,329	126,095
Pledges receivable (Note 4)	563,658	-	563,658	658,765
Prepaid expenses	4,227	-	4,227	37,754
	3,186,423	-	3,186,423	3,265,753
<b>Investments (Note 3)</b>	1,193,986	1,406,849	2,600,835	2,652,696
<b>Tangible capital assets (Note 5)</b>	89,851	-	89,851	126,806
	\$ 4,470,260	\$ 1,406,849	\$ 5,877,109	\$ 6,045,255
<b>Liabilities and Net Assets</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 67,277	\$ -	\$ 67,277	\$ 97,973
Donor directed payable (Note 6)	2,870	-	2,870	31,729
Funds held for 211 Saskatchewan (Note 7)	407,127	-	407,127	362,304
Funds held for administration	-	-	-	938
	477,274	-	477,274	492,944
<b>Deferred contributions (Note 9)</b>	481,232	-	481,232	392,988
	958,506	-	958,506	885,932
<b>Net Assets</b>	3,511,754	1,406,849	4,918,603	5,159,323
	\$ 4,470,260	\$ 1,406,849	\$ 5,877,109	\$ 6,045,255

**Commitments (Notes 7 & 11)**

See accompanying notes

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# UNITED WAY OF REGINA

## Statement of Net Assets Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

	-----Operating Fund-----			-----Tomorrow Fund-----			-Total-
	Invested in Tangible Capital Assets	Community Use Fund	Operating Fund	Total Operating Fund	Community Legacy Endowment Fund	Operating Endowment Fund	
Balance – beginning of year	\$ 126,806	\$ 2,903,523	\$ 687,003	\$ 3,717,332	\$ 855,363	\$ 586,628	\$ 1,441,991
Excess revenue (expenses)	(62,511)	-	(220,464)	(282,975)	18,899	23,356	42,255
Purchase of tangible capital assets	25,556	-	(25,556)	-	-	-	-
Transfers from Tomorrow Fund (Note 8)	-	-	77,397	77,397	-	(77,397)	(77,397)
Transfers from Community Use Fund (Note 8)	-	(26,000)	26,000	-	-	-	-
Balance - end of year	\$ 89,851	\$ 2,877,523	\$ 544,380	\$ 3,511,754	\$ 874,262	\$ 532,587	\$ 1,406,849

	-----Operating Fund-----			-----Tomorrow Fund-----			-Total-
	Invested in Tangible Capital Assets	Community Use Fund	Operating Fund	COVID-19 Response Fund	Total Operating Fund	Community Legacy Endowment Fund	
Balance – beginning of year	\$ 146,167	\$ 2,896,731	\$ 571,750	\$ 1,094,925	\$ 4,709,573	\$ 782,038	\$ 1,311,900
Excess revenue (expenses)	(81,583)	-	177,475	(1,088,133)	(992,241)	73,325	56,766
Purchase of tangible capital assets	62,222	-	(62,222)	-	-	-	130,091
Transfers from COVID-19 Fund	-	6,792	-	(6,792)	-	-	-
Balance - end of year	\$ 126,806	\$ 2,903,523	\$ 687,003	\$ -	\$ 3,717,332	\$ 855,363	\$ 1,441,991

See accompanying notes

# UNITED WAY OF REGINA

**Statement of Operations**  
**Year Ended June 30, 2022**  
(with comparative figures for the year ended June 30, 2021)

	Operating Fund	Tomorrow Fund	Total 2022	Total 2021
<b>Revenue</b>				
Donations	\$ 2,395,587	\$ -	\$ 2,395,587	\$ 2,304,707
Funds transferred from other United Ways	392,732	-	392,732	574,210
Gross campaign revenue	2,788,319	-	2,788,319	2,878,917
Uncollectible pledge (provision) recovery	(48,300)	-	(48,300)	32,379
Net campaign revenue	2,740,019	-	2,740,019	2,911,296
Contributions and grants Government COVID-19 relief funding	1,008,665 182,651	- -	1,008,665 182,651	1,357,886 475,364
Investment income	60,046	28,093	88,139	99,588
Unrealized investment (loss) gain	(23,072)	14,162	(8,910)	161,694
Special events and other revenue	17,385	-	17,385	32,980
	3,985,694	42,255	4,027,949	5,038,808
<b>Fundraising expenses (Schedule 2)</b>	633,171	-	633,171	571,810
<b>Net revenue available for allocations and programs</b>	3,352,523	42,255	3,394,778	4,466,998
<b>Community Impact expenses</b>				
Funded partner investments (Schedule 3)	1,301,933	-	1,301,933	1,490,405
COVID-19 grants	-	-	-	1,535,721
Donor directed to other charities	250,209	-	250,209	233,508
Programs and other investments (Schedule 4)	891,479	-	891,479	687,916
211 Saskatchewan (Schedule 5)	613,917	-	613,917	698,237
United Way of Canada dues	35,117	-	35,117	32,411
Community impact	542,843	-	542,843	650,950
<b>Total Community Impact expenses</b>	3,635,498	-	3,635,498	5,329,148
<b>(Deficiency) excess of revenue</b>	\$ (282,975)	\$ 42,255	\$ (240,720)	\$ (862,150)

See accompanying notes



# UNITED WAY OF REGINA

**Tomorrow Fund**  
**Statement of Revenue and Expenses**  
**Year Ended June 30, 2022**  
(with comparative figures for the year ended June 30, 2021)

	<b>Community Legacy Endowment</b>	<b>Operating Endowment</b>	<b>Total 2022</b>	<b>Total 2021</b>
<b>Revenue</b>				
Investment income	\$ 18,899	\$ 23,356	\$ 42,255	\$ 130,091
<b>Expenses</b>				
Fundraising expenses <i>(Schedule 2)</i>	-	-	-	-
<b>Excess of revenue</b>	<b>\$ 18,899</b>	<b>\$ 23,356</b>	<b>\$ 42,255</b>	<b>\$ 130,091</b>

See accompanying notes

# UNITED WAY OF REGINA

## Statement of Cash Flow Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
<b><u>Operating Activities</u></b>		
Deficiency of revenue over expenses	\$ (240,720)	\$ (862,150)
Plus items which does not require cash outlay:		
Amortization	62,511	81,583
Unrealized investment gain	(19,672)	(161,694)
	(197,881)	(942,261)
Changes in non-cash working capital		
Investments – current	(344,717)	11,723
Accounts receivable	41,766	(101,952)
Pledges receivable	95,107	73,158
Prepaid expenses	33,527	(31,211)
Accounts payable	(30,696)	45,816
Donor directed payable	(28,859)	30,536
Funds held for 211 Saskatchewan	44,823	(46,201)
Deferred contributions	88,244	(52,613)
	(100,805)	(70,744)
Net cash used by operating activities	(298,686)	(1,013,005)
<b><u>Investing Activities</u></b>		
Purchase of tangible capital assets	(25,556)	(62,222)
Change in funds held in trust	(938)	(15,670)
Increase (decrease) in investments	71,533	(323,784)
Net cash provided (used) by investing activities	45,039	(401,676)
<b>Decrease in cash resources</b>	(253,647)	(1,414,681)
<b>Cash - beginning of year</b>	697,098	2,111,779
<b>Cash - end of year</b>	\$ 443,451	\$ 697,098

See accompanying notes

# UNITED WAY OF REGINA

## Notes to the Financial Statements

June 30, 2022

(with comparative figures for the year ended June 30, 2021)

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### 1. Purpose of the organization

United Way of Regina is incorporated under The *Non-profit Corporations Act* of Saskatchewan. Its principal purpose, described in the United Way mission statement, is to ignite the desire in everyone to improve lives by mobilizing our community for lasting social change in Regina and other communities in Saskatchewan.

As a registered charitable foundation under Section 149 (1) of the *Income Tax Act*, the Organization is exempt from income taxes and is allowed to issue charitable donation receipts for income tax purposes.

### 2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations, the most significant accounting policies are as follows:

#### a) Fund accounting

The United Way of Regina follows the restricted fund method of accounting for contributions.

##### Operating Fund

The Operating Fund reports revenues and expenses related to program delivery, fundraising and administrative activities of the Organization. Within the Operating Fund, the Organization delivers special programs as part of its mandate to be a Community Impact United Way. The Organization also receives and distributes funds restricted by donors (donor option) for payment to specified charities.

The Operating Fund has the following internally restricted funds included within its Net Assets:

##### Invested in Tangible Capital Asset Fund

Reports the net assets held by the Organization.

##### Operating Reserve

Contained within the general Operating Fund, an amount of which is internally restricted by the Board to support a maximum of up to nine (9) months of core operating for situations such as uninsured losses or wind-down of the organization.

##### Community Use Reserve

Reports the amount internally restricted by the Board to support a minimum of nine (9) months of approved funding commitments for Funded Partners and a minimum of twelve (12) months for 211 Saskatchewan. Any excess over and above the minimum balance will be available to stabilize and/or further United Way Regina's Community Investment strategy.

##### Tomorrow Fund

The Tomorrow Fund includes two separate streams: Community Legacy and Operating Endowment.

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022

(with comparative figures for the year ended June 30, 2021)

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### 2. Significant accounting policies - continued

#### Fund accounting - continued

##### Community Legacy Endowment

Contributions made to this endowment fund are accumulated and invested for the purpose of generating investment income to fund activities which address the root causes of community issues facing Regina.

##### Operating Endowment

Contributions made to this endowment fund are invested to eventually provide annual earnings sufficient to cover the ongoing operations and fundraising costs of United Way of Regina.

#### **b) Revenue recognition**

##### Contributions/grants

The Organization enters into agreements with government agencies and other organizations and the funding is recorded in the period specified in the agreement. Amounts received in advance of the contract period, or for which services have not yet been delivered, are deferred until the next fiscal period.

##### Investments

Investment income is recognized as revenue in the year it is earned and includes dividend and interest income, realized investment gains and losses on sales of investments measured at amortized cost. Unrealized gains and losses are reported separately on the statement of operations.

##### Special events

Revenue is recognized from special events in the period in which the event took place.

##### Other revenue

Revenue is recognized in the period when all performance criteria are met, and collection is reasonably assured.

##### Donation revenue

Donation revenue comprises unrestricted contributions received in cash or pledges receivable during annual campaigns. These are recognized as revenue in the period in which the campaign is held. A provision for uncollectible pledges is recorded to reduce pledges receivable and revenue.

##### Donor restricted funds

Contributions that are restricted by donors are initially deferred, then recognized as revenue of the Operating Fund in the year in which the related expenses are incurred.

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022

(with comparative figures for the year ended June 30, 2021)

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### 2. Significant accounting policies - continued

#### Revenue recognition - continued

##### Tomorrow Fund

Endowment contributions, made both internally and from external donors, are recognized in the Tomorrow Fund as part of the Community Legacy Endowment stream and the Operating Endowment stream. Investment income earned on Tomorrow Fund resources that must be spent on Tomorrow Fund activities is recognized as revenue of the Tomorrow Fund.

##### **c) Pledges receivable**

Pledges are recorded as revenue and receivable when signed pledge documents are received or other documents are available to provide reasonable evidence of a valid pledge. Allowances are provided for amounts estimated to be uncollectible.

##### **d) Financial instruments**

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair values of financial assets and financial liabilities measured at fair value are recognized in excess of revenue over expenses. When there is an indication of impairment the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

The Organization's recognized financial instruments consists of cash, investments, accounts receivable, pledges receivable, accounts payable, donor directed payable, and all funds held in trust.

##### **e) Tangible capital assets**

Tangible capital assets with a value of \$1,000 or greater are recorded at cost and amortized on a straight-line basis as follows:

Donor management system	Seven years
Equipment and furniture	Three years
Leaseholds	Remaining term of the lease (3 years)

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022

(with comparative figures for the year ended June 30, 2021)

### 2. Significant accounting policies - continued

#### f) Allocation of general management and administrative expenses

General management and administrative expenses are incurred to support fundraising and community impact programs. Expenses are allocated between fundraising and community impact programs and are allocated on a square footage basis.

General management and administrative expenses are allocated as follows:

	2022	2021
	%	%
Community Impact program expenses	78.0	78.8
Fundraising expenses	22.0	21.2
Total allocated	100.0	100.0

#### g) Distribution of operating surplus

In the event of an operating surplus the balance will be invested in the following manner:

- 100% to the Operating Reserve until the operating reserve is sufficient to support nine – (9) months of core operations.
- Any surplus remaining after ensuring the stability of the operating reserve will be contributed to the Community Use Reserve to stabilize and/or further the overall community investment strategy.

#### h) Contributed services

Significant portions of the United Way's operations are accomplished through the use of donated time, assets and services. Donated time is not recognized in the financial statements, as their value cannot be reasonably estimated. Donated assets and services may be recognized if the value can be reasonably estimated.

#### i) Use of accounting 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported year. A significant estimate for uncollectible pledge receivables is included in the reported pledge receivable figure. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022

(with comparative figures for the year ended June 30, 2021)

### 3. Investments

At year end United Way of Regina held the following investments.

	2022	2021
Cash/money market mutual funds	\$ 399,060	\$ 477,560
Guaranteed investment certificates (GIC) and bonds	2,430,461	2,029,474
Common shares	455,223	449,712
Tomorrow Fund (in trust for United Way of Regina)		
Cash/money market mutual funds	355,532	374,370
Guaranteed investment certificates (GIC)	522,787	553,250
Common shares	528,530	514,371
Total investments	4,691,593	4,398,737
Less current	(2,090,758)	(1,746,041)
Long term	\$ 2,600,835	\$ 2,652,696

As stated in note 2(d), investments are measured at their current market value. GIC investments are laddered with various maturity dates between July 2022 and May 2025 (2021 – November 2021 and June 2023) and accrue interest at rates between 0.75% and 4.35% (2021 – 0.48% and 3%).

### 4. Pledges receivable

	2022	2021
Current campaign commencing January	\$ 165,400	\$ 234,389
Prior campaigns	398,258	424,376
	\$ 563,658	\$ 658,765

The net provision for uncollectible pledges, after recoveries and write offs, at year end is \$143,300 (2021 - \$145,500) and is included in receivables above. Allowance for uncollectible pledges is percentage based and determined based upon factors surrounding the credit risk of specific accounts, historical trends and other relevant information. Uncollected pledges are written off after 3 years.

### 5. Tangible capital assets

	-----2022-----			---2021---
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Donor management system	\$ 310,888	\$ 310,888	\$ -	\$ -
Leasehold improvements	332,439	280,365	52,074	69,513
Office equipment	144,495	106,718	37,777	57,293
	\$ 787,822	\$ 697,971	\$ 89,851	\$ 126,806

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022

(with comparative figures for the year ended June 30, 2021)

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### 6. Donor directed payables

United Way of Regina acts as the administrative host for several provincial, regional, and national workplace campaigns that have offices located in Regina. These flow-through funds are not raised as part of United Way of Regina's annual campaign but are gathered by various organizations directly and therefore are not included in the reported operations of United Way of Regina. Funds received are distributed less any applicable processing fee. During the 2022 year, United Way of Regina distributed flow-through funds of \$334,074 (2021 - \$278,380) and has a payable at year-end of \$2,870 (2021 - \$31,729).

### 7. Funds held for 211 Saskatchewan

#### 211 Saskatchewan

211 Saskatchewan is a province-wide database accessible to internet, text and phone users to find a full range of community, social, government and health services.

United Way Regina (UWR) and United Way Saskatoon and Area (UWSA) have a Memorandum of Understanding (MOU) regarding 211 Saskatchewan to deliver the project as a core service and commit ongoing funding until October 2024 or until such time as the support is no longer required, with funding levels to be determined annually. Funding and expenses are shared equally with UWR responsible for the financial administration of the initiative. As of June 30, 2022 – contributions of \$126,791 (2021 - \$43,850) by UWSA, \$169,122 (2021 - \$141,696) by Ministry of Education, and \$111,214 (2021 - \$176,758) by Ministry of Justice for the project were unexpended and appear as a liability on the statement of financial position.

**Commitment** – As per the joint budgeting process between UWR and UWSA, a commitment has been made for ongoing funding of 211 Saskatchewan of up to \$300,000 per year shared equally until June 2023.

### 8. Fund transfers

During the year, the Board of Directors approved the following inter-fund transfers:

In 2022, a transfer of \$26,000 (2021-nil) from the Community Use Fund was made to the Operating Fund. In addition, a year end transfer of \$240,620 (2021-\$77,397) from the Tomorrow Fund Operating Endowment was approved to be made to the Operating Fund and was transferred following the fiscal year end.

### 9. Deferred contributions

#### Donor designated

The allocation through the annual campaign provides core funding to a stable network of agencies that provide foundational human services in the Regina area, aligned with United Way's key focus areas. Contributions designated by the donor to other charitable organizations during the annual campaign, including additional amounts to funded partners, are recognized as revenue and paid out as funds are received.



# UNITED WAY OF REGINA

## Notes to the Financial Statements

June 30, 2022

(with comparative figures for the year ended June 30, 2021)

### 9. Deferred contributions – continued

#### Closure of Weyburn & District United Way and Swift Current United Way Inc.

In 2018, members of both Weyburn & District United Way and Swift Current United Way Inc. voted to close their respective United Ways effective December 31, 2018. Upon closure, United Way of Regina agreed to accept and assume administration of their assets and liabilities as at January 1, 2019.

United Way of Canada – Centraide Canada granted United Way of Regina these regions for temporary expansion for the 2019 & 2020 calendar years, alongside the region formerly held by United Way of Moose Jaw. These regions were granted to the organization on a permanent basis in late 2020. To ensure investment locally, 2022 regional designated project funding was deferred.

Deferred contributions include the following:

	2022	2021
Donor directed giving to other charities	\$ 109,918	\$ 123,836
Deferred regional revenue	2,958	35,903
Deferred 211 Saskatchewan revenue	11,345	22,689
Miscellaneous deferred project-based revenue	357,011	210,560
	\$ 481,232	\$ 392,988

### 10. Financial risk management

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from donors. The Organization has a significant number of donors which minimizes concentration of credit risk. An allowance for uncollectible pledges is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Recovery of prior year pledges written off are reported in the period where they are realized.

#### Interest rate and market risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Organization is exposed to interest rate risk on its current and long-term investments. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating, investing, and financing activities.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Organization is exposed to market risk on its current and long-term investments. The Organization manages these risks through a structured investment policy including limitations on allowable risk exposure.

# UNITED WAY OF REGINA

## Notes to the Financial Statements June 30, 2022 (with comparative figures for the year ended June 30, 2021)

### 11. Commitments

a) United Way of Regina annually approves allocations to provide core funding to funded agencies based on the results of the previous year's annual campaign. As of June 30, 2022 a balance of \$750,000 remained committed to March 31, 2023 (2021 - \$885,000).

b) United Way of Regina has also committed to provide operating funds to the following program:

211 Saskatchewan (estimated ongoing annual funding to June 2023)      \$ 150,000

c) United Way of Regina is committed to making the following minimum annual payments for the specified period.

Rental of Premises (5 year lease – expires June 2025)      \$ 90,000 (year 3)  
95,000 (years 4-5)

### 12. Transparency, accountability and financial reporting

The United Way follows the reporting guidelines as outlined in its membership agreement with United Way of Canada – Centraide Canada. These ratios were calculated on total revenue, before deducting the pledge loss and are exclusive of any general management and administrative costs related to community impact expenses. Direct fundraising costs for 2022 were \$556,872 (2021 - \$510,647). General management and administration costs associated with fundraising for 2022 were \$76,299 (2021 - \$61,164) which are allocated based on a square footage basis.

	2022	2021
Direct costs of fundraising	13.80%	10.20%
General management and administrative costs associated with fundraising	1.89%	1.22%
	15.69%	11.42%

### 13. COVID-19 impact

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. Due to the world wide financial market volatility caused by the pandemic, alongside other global events, the value of investments held in equities has fluctuated and future financial impacts on the Organization is unknown.

United Way of Regina provided increased services to the community it serves during the pandemic, including the administration of multiple federal programs in southern Saskatchewan in prior years. Additional funding in the amount of \$491,275 in 2021, and \$1,061,621 in 2020, was received from the Government of Canada, via United Way of Canada - Centraide Canada, from the Emergency Community Support Fund to invest in agencies and programs who are delivering front line services to those affected by the COVID-19 pandemic. All distributions were completed in the prior year.

# UNITED WAY OF REGINA

## Schedule of General Management and Administrative Expenses Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

	2022	2021
		<b>Schedule 1</b>
Annual general and other meetings	\$ 885	\$ 1,059
Financial service fees	3,929	6,141
Occupancy	17,524	14,827
Printing and promotion	804	4,234
Professional development/travel	4,017	1,608
Professional services	61,847	40,671
Salaries and benefits	201,587	148,406
Supplies and small equipment	2,604	1,023
Transformational change strategy	3,819	7
Volunteer training and recognition	225	293
General management and admin expenses prior to amortization	297,241	218,269
Amortization of tangible capital assets	49,573	70,239
	346,814	288,508
Allocated to community impact ( <i>Operating Fund</i> )	(270,515)	(227,344)
Allocated to fundraising ( <i>Schedule 2</i> )	(76,299)	(61,164)
Unallocated general management and administrative expenses	\$ -	\$ -

# UNITED WAY OF REGINA

**Schedule of Fundraising Expenses**  
**Year Ended June 30, 2022**  
(with comparative figures for the year ended June 30, 2021)

	<b>Schedule 2</b>	
	<b>2022</b>	<b>2021</b>
Bank service fees	\$ 14,717	\$ 13,267
Direct mail	1,308	1,145
Equipment	17,366	17,238
Fundraising and processing fees	24,946	21,423
Occupancy	90,783	76,197
Other direct fundraising expenses	49	1,760
Postage	864	1,067
Printing and promotion	14,428	12,771
Professional development	4,091	1,595
Professional services	28,485	22,792
Salaries and benefits	388,029	373,316
Special event expenses	5,175	678
Supplies	925	2,344
Volunteer training and recognition	224	200
Fundraising and processing fees (recoveries)	(34,518)	(35,147)
	556,872	510,646
Allocation of general management & admin expenses ( <i>Schedule 1</i> )	76,299	61,164
	\$ 633,171	\$ 571,810
<b>Operating Fund</b>	\$ 633,171	\$ 571,810
<b>Tomorrow Fund</b>	-	-
	\$ 633,171	\$ 571,810

# UNITED WAY OF REGINA

## Schedule of Funded Partner Investments

Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

	Schedule 3	
	2022	2021
<b>Funded Partner Agencies</b>		
Big Brothers Big Sisters (Regina Branch)	\$ 44,470	\$ 30,000
Big Brothers Big Sisters (Weyburn Branch)	10,000	20,000
Canadian National Institute of the Blind (CNIB)	6,000	12,000
Canadian Mental Health Association (Regina Branch)	44,470	69,036
Canadian Mental Health Association (Weyburn Branch)	19,500	30,000
Canadian Red Cross (Weyburn and Area)	6,000	10,000
Catholic Family Services Society	44,470	30,000
Circle Project Association Inc.	104,470	70,420
City of Swift Current (Active Play)	283	-
Community Low Income Center	2,000	4,000
Cornwall Alternative School	104,470	108,124
Early Childhood Intervention Program	44,470	30,000
Envision Counselling and Support Centre Inc.	29,250	45,000
Family Services Regina	104,470	155,653
Inclusion Weyburn	6,500	7,000
Mobile Crisis Services Inc.	44,470	35,170
Rainbow Youth Centre	44,470	34,554
Regina Transition House	44,470	37,939
Regina Early Learning Centre Inc.	44,470	96,441
Regina Education and Action on Child Hunger (REACH)	100,000	80,858
Regina Open Door Society	104,470	106,506
Regina Work Preparation Centre	40,000	55,261
SCEP Centre	74,470	101,770
Sofia House	74,470	30,000
Spinal Cord Injury Saskatchewan (Weyburn Branch)	5,250	5,000
Street Workers' Advocacy Project, Regina Inc.	44,470	61,413
Weyburn Care-A-Van Inc.	5,000	10,000
Weyburn Special Care Home Auxiliary	5,000	8,000
Weyburn Youth Center	4,000	10,000
YMCA of Regina Inc.	51,630	52,840
YWCA and Big Sisters Program	44,470	143,420
	<b>\$ 1,301,933</b>	<b>\$ 1,490,405</b>

# UNITED WAY OF REGINA

## Schedule of Programs and Other Investments Funded Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

			<b>Schedule 4</b>	
	<b>Revenue</b>	<b>Expenses</b>	<b>2022 Net</b>	<b>2021 Net</b>
Campaign for Grade Level Reading Initiatives	\$ 692,385	\$ 740,310	\$ (47,925)	\$ (4,766)
Capacity Building Programs	93,580	91,534	2,046	(24,362)
Regional Literacy Initiatives	17,968	31,071	(13,103)	(3,963)
Stakeholder Engagement	5,622	28,564	(22,942)	(58,633)
	<b>\$ 809,555</b>	<b>\$ 891,479</b>	<b>\$ (81,924)</b>	<b>\$ (91,724)</b>

# UNITED WAY OF REGINA

## Schedule of 211 Saskatchewan Revenue and Expenses Year Ended June 30, 2022

(with comparative figures for the year ended June 30, 2021)

	<b>Schedule 5</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenue</b>	\$ 529,357	\$ 647,972
<b>Expenses</b>		
Amortization	11,345	11,345
Equipment	12,398	25,720
Licences and memberships	1,675	1,059
Occupancy and communication	54,011	46,152
Postage	2,480	353
Printing and promotion	111,900	135,635
Professional development	410	393
Professional services	174,440	265,502
Salaries and benefits	329,680	262,147
Supplies	138	198
UWSA share of expenses	(84,560)	(50,266)
	613,917	698,238
<b>Net expenses – UWR</b>	\$ 84,560	\$ 50,266
<b>Total share of expenses</b>		
United Way Regina - 50% share of net expense	\$ 84,560	\$ 50,266
United Way Saskatoon & Area- 50% share of net expense	84,560	50,266
Ministry of Education project	142,574	153,669
Ministry of Justice project	227,771	20,594
Other revenue sources and projects	159,012	473,709
	\$ 698,477	\$ 748,504

