

Financial Statements of

**THE UNITED WAY
OF GREATER VICTORIA**

And Independent Auditors' Report thereon

Year ended March 31, 2020

THE UNITED WAY OF GREATER VICTORIA

Financial Statements

Year ended March 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Members of The United Way of Greater Victoria

Report on the Financial Statements

Opinion

We have audited the financial statements of The United Way of Greater Victoria (the Entity), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations for the year then ended
- the statement of changes in fund balances 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 Entity as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity 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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles applied by the Entity in preparing and presenting the financial statements in accordance with the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
June 3, 2020

THE UNITED WAY OF GREATER VICTORIA

Statement of Financial Position

March 31, 2020, with comparative information for 2019

	Operating Fund	Restricted Funds	Total 2020	Total 2019
Assets				
Current assets:				
Cash	\$ 850,604	\$ 231,909	\$ 1,082,513	\$ 1,235,157
Pledges receivable (note 2)	1,646,473	-	1,646,473	1,781,282
Other receivables	262,415	(235,341)	27,074	27,509
	2,559,492	(3,432)	2,756,060	3,043,948
Investments (note 3)	-	5,671,932	5,671,932	6,860,421
Cash surrender value of life insurance policies	-	114,711	114,711	150,256
Capital assets (note 4)	404,046	-	404,046	513,026
	\$ 3,163,538	\$ 5,783,211	\$ 8,946,749	\$ 10,567,651

Liabilities

Current liabilities:

Accounts payable and accrued liabilities (note 5)	\$ 319,244	\$ -	\$ 319,244	\$ 619,700
Community grants payable	2,210,934	35,791	2,246,725	2,360,434
Deferred revenue	369,893	-	369,893	372,615
Deferred lease inducement	56,457	-	56,457	56,457
	2,956,528	35,791	2,992,319	3,409,206
Deferred lease inducement	207,010	-	207,010	263,468

Fund Balances

Internally restricted (note 6)	-	4,237,957	4,237,957	4,761,188
Externally restricted (note 6)	-	-	-	21,059
Endowment (note 6)	-	1,509,463	1,509,463	1,618,619
Unrestricted	-	-	-	494,111
	-	5,747,420	5,747,420	6,894,977


Commitments (note 12)

	\$ 3,163,538	\$ 5,783,211	\$ 8,946,749	\$ 10,567,651
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The accompanying notes are an integral part of these financial statements.

Approved by the Board:

 Director

 Director

THE UNITED WAY OF GREATER VICTORIA

Statement of Operations

Year ended March 31, 2020, with comparative information for 2019

	Operating Fund	Restricted Funds	Total 2020	Total 2019
Revenue:				
Campaign revenue (note 10)	\$ 4,339,117	\$ -	\$ 4,339,117	\$ 4,746,950
Less allowance for uncollectible pledges	96,820	-	96,820	71,175
Net campaign revenue	4,242,297	-	4,242,297	4,675,775
Other gifts and revenues:				
Sponsorships	32,500	-	32,500	24,400
Investment income (loss)	(147,833)	(62,871)	(210,704)	380,160
Bequests	422,317	(35,547)	386,770	44,834
Success by 6	-	-	-	245,314
Events, rent and other	36,066	-	36,066	26,132
	343,050	(98,418)	244,632	720,840
	4,585,347	(98,418)	4,486,929	5,396,615
Expenses:				
Resource development expenses:				
Resource development	1,048,580	-	1,048,580	1,074,237
Campaign costs other United Ways	64,197	-	64,197	43,583
Investment portfolio fees	-	41,008	41,008	43,407
	1,112,777	41,008	1,153,785	1,161,227
Net revenue (deficiency) before the undernoted	3,472,570	(139,426)	3,333,144	4,235,388
Program expenses:				
Grant distributions	2,120,690	35,790	2,156,480	2,567,520
Donor directed donations	1,059,634	-	1,059,634	1,113,816
Community impact	850,559	-	850,559	895,471
Success by 6	-	1,103	1,103	65,093
	4,030,883	36,893	4,067,776	4,641,900
Deficiency of revenue over expenses before the undernoted	(558,313)	(176,319)	(734,632)	(406,512)
Investment in individual giving	(412,925)	-	(412,925)	(633,030)
Deficiency of revenue over expenses	\$ (971,238)	\$ (176,319)	\$ (1,147,557)	\$ (1,039,542)

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

THE UNITED WAY OF GREATER VICTORIA

Statement of Changes in Fund Balances

Year ended March 31, 2020, with comparative information for 2019

	Operating Fund	Restricted Funds	Total
Fund balance, March 31, 2018	\$ 1,945	\$ 7,932,574	\$ 7,934,519
Deficiency of revenue over expenses	(989,339)	(50,203)	(1,039,542)
Transfer from Restricted to Operating Funds (note 7)	1,549,600	(1,549,600)	-
Transfer from Operating to Restricted Funds (note 7)	(68,095)	68,095	-
Fund balance, March 31, 2019	494,111	6,400,866	6,894,977
Deficiency of revenue over expenses	(971,238)	(176,319)	(1,147,557)
Transfer from Restricted to Operating Funds (note 7)	899,444	(899,444)	-
Transfer from Operating to Restricted Funds (note 7)	(422,317)	422,317	-
Fund balance, March 31, 2020	\$ -	5,747,420	5,747,420

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

THE UNITED WAY OF GREATER VICTORIA

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	\$ (1,147,557)	\$ (1,039,542)
Items not involving cash:		
Amortization	108,980	112,838
Change in cash surrender value of life insurance	35,545	3,304
(Gain) loss on disposal of investments	(774)	188,619
Unrealized gain (loss) on investments	440,665	(261,832)
Deferred lease inducement	(56,458)	(56,457)
Change in non-cash operating working capital (note 8)	(281,643)	(153,434)
	(901,242)	(1,206,504)
Investing activities:		
Purchase of equipment	-	(8,926)
Net decrease in investments	748,598	1,275,378
	748,598	1,266,452
Increase (decrease) in cash	(152,644)	59,948
Cash, beginning of year	1,235,157	1,175,209
Cash, end of year	\$ 1,082,513	\$ 1,235,157

Supplemental cash flow information (note 8)

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

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

The mission of The United Way of Greater Victoria (the “United Way” or “UWGV”) is to improve lives and build community by engaging individuals and mobilizing collective action.

The United Way is incorporated under the Societies Act (British Columbia). UWGV is registered as a charitable organization under the Income Tax Act and, as such, is exempt from income taxes, and is able to issue donation receipts for income tax purposes.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on United Way is not known at this time. These impacts could include impairment of investments and a change in revenue sources, with potential decreases in donations through workplace campaigns possibly offset by increases in direct donations and government assistance.

1. Significant accounting policies:

These financial statements are 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:

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

Operating Fund:

The operations (general and administrative) of the UWGV which include the annual campaign and all major gifts are recorded in the Operating Fund.

- All funds except for restricted bequests, endowments and net investment income for restricted purposes are recognized in the Operating Fund.
- All operating expenses, community partner funding commitments and annual funding decisions as approved by the Board of Directors are recorded in the Operating Fund.
- All capital assets and amortization are recorded in the Operating Fund.

Restricted Funds:

The Restricted Funds include resources subject to restrictions by the donor and amounts internally restricted by the Board of Directors.

Investment Fund:

The Investment Fund:

- Provides stability and protection in the event of an extraordinary event such as a disaster that may affect our organization or services in the community.
- Supports and maintains our leased facility.
- Supports the replacement capital expenditures.
- Supports sustainability, expansion and innovation of revenue streams.
- Provides additional investment in our priority areas.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(a) Fund accounting (continued):

All unrestricted bequests received are recorded as revenue of the Operating Fund and transferred to the Investment Fund. The Investment Fund is internally restricted by the Board of Directors. Investment income from the Investment Fund assists in offsetting costs of the Operating Fund.

Endowment Funds:

Endowment Funds are made up of gifts and bequests that are subject to a requirement that the principal be maintained intact and invested to create a source of income for United Way. Donors may specify an endowment to fund a specific interest(s) or be more general. In any case, an endowment requires that the principal remain intact in perpetuity, or for a defined period of time, or until sufficient assets have been accumulated to achieve a designated purpose.

The Success by 6 Fund:

Success by 6 is an Early Childhood Development Provincial Partnership between the Province of British Columbia, Credit Unions of B.C. and United Ways of B.C. The United Way administers this externally restricted fund for the Success by 6 South Island Council of Partners.

This fund reports the assets, liabilities, revenue and expenses relating to the South Island Success by 6 initiatives. This partnership ended March 31, 2019.

(b) Revenue recognition:

Restricted contributions related to operations are recognized as revenue of the Operating Fund in the period in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable.

Unrestricted contributions are recognized as revenue of the Operating Fund in the period received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund. Unrestricted investment income including the realized and unrealized gain or loss on investments is recognized as revenue of the Operating Fund.

Endowment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund.

Donations of life insurance policies are recorded when the funds are received by the United Way. The cash surrender value of life insurance policies and changes in the cash surrender value are recorded for those policies in which the United Way is the beneficiary.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(c) Expense allocations:

The United Way of Greater Victoria allocates costs to resource development and community investment programs in accordance with the policies of the United Way of Canada - Centraide. Administration and communication expenses which do not pertain specifically to resource development or community impact programs are allocated based on management's estimates of time and dollars spent as indicated below:

	Administration expenses
Resource development	60%
Community investment programs	40%

(d) Designations for agencies:

The United Way collects funds designated by Campaign donors for other Canadian registered charities. These funds are included in Campaign revenue and are recognized as expenditures of the current Campaign, net of a \$16 fee per designation.

Flow through donations are funds received under the flow through arrangements for other United Ways. The amount received is recorded as a liability.

(e) Volunteers:

Volunteers contribute an indeterminable number of hours to the United Way across its operations. Because no objective basis exists for recording and assigning fair values to donated time, the value of this time has not been reflected in these financial statements.

(f) Materials and services:

The United Way receives contributions of both materials and services. Because of the difficulty in determining fair value, contributed materials and services are not recognized in these financial statements.

(g) Pledges receivable:

Contributions pledged are recorded as receivable and allowances are provided for amounts estimated to be uncollectible.

(h) Life insurance policies:

The United Way is owner and beneficiary of various life insurance policies. The cash surrender value of these policies is reflected as an asset on the statement of financial position. The annual change in the aggregate cash value is recorded in the statement of operations as revenue from bequests in the restricted funds.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(i) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. When a capital asset no longer contributes to the 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:

Asset	Rate
Computer equipment	3 - 10 years
Furniture and equipment	10 years
Leasehold improvements	8 years

(j) 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. The United Way has designated all investments to be recorded at fair value.

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

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, the 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 the 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.

(k) Investment income:

Investment income includes interest income and dividends, and unrealized gains/losses on investments recorded at fair value.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(l) Employee future benefits:

The United Way administers and provides matching contributions to employee registered retirement savings plans. Contributions are expensed as incurred. Employees are entitled to sick leave as part of their employment. The United Way has not recognized an accrual for employee earned but unused sick banks in its financial statements.

(m) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Significant items subject to such estimates and assumptions include the determination of the allowance for uncollectible pledges. Actual results could differ from those estimates.

2. Pledges receivable:

	2020	2019
Current period's campaign pledges	\$ 1,666,769	\$ 1,826,139
Deduct allowance for uncollectible pledges	88,806	71,175
	1,577,963	1,754,964
Prior period's campaign pledges	144,685	101,094
Deduct allowance for uncollectible pledges	76,175	74,776
	68,510	26,318
	\$ 1,646,473	\$ 1,781,282

3. Investments:

Investments are comprised of a diversified portfolio, managed in accordance with the United Way's investment policy, summarized as follows:

	2020	2019
Canadian equity - 21.5%	\$ 1,219,465	\$ 1,491,764
Foreign equity - 25.4%	1,440,671	1,563,066
Bond funds - 53.1%	3,011,796	3,057,120
Money market - 0%	-	748,471
	\$ 5,671,932	\$ 6,860,421

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

3. Investments (continued):

Change in investments is calculated as follows:

	2020	2019
Investments, beginning of year	\$ 6,860,421	\$ 8,062,586
Net purchase (disposal) of investments	(706,816)	(1,230,912)
Change in unrealized and realized gain on investments	(440,665)	73,213
Management fees	(41,008)	(44,466)
Investments, end of year	\$ 5,671,932	\$ 6,860,421

4. Capital assets:

2020	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 333,931	\$ 260,159	\$ 73,772
Furniture and equipment	89,523	32,283	57,240
Leasehold improvements	466,402	193,368	273,034
	\$ 889,856	\$ 485,810	\$ 404,046

2019	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 333,931	\$ 218,178	\$ 115,753
Furniture and equipment	89,523	23,692	65,831
Leasehold improvements	466,402	134,960	331,442
	\$ 889,856	\$ 376,830	\$ 513,026

Leasehold improvements represent renovations funded by United Way's landlord for leased premises. An equivalent amount of deferred rent will be recognized as revenue over the term of the lease.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$17,563 (2019 - \$19,257), which includes amounts payable for payroll related taxes.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

6. Restricted fund balances:

Restricted fund balances are comprised of:

	2020	2019
Investment Fund	\$ 4,237,957	\$ 4,761,188
Endowment Fund	1,509,463	1,618,619
Success by 6 Fund	-	21,059
	<u>\$ 5,747,420</u>	<u>\$ 6,400,866</u>

The endowment fund includes an initial contribution of \$1,237,205 which is to be held in perpetuity. The income earned on the endowment is externally restricted.

7. Internal transfer:

During the year, the Board of Directors approved two inter-fund transfers including \$422,317 (2019 - \$68,095) from the Operating Fund to the Investment Fund, representing bequests received during the year and \$879,488 from the Investment Fund to the Operating Fund. An additional transfer was made of \$19,956 from the Restricted Funds to the Operating Fund.

8. Supplemental cash flow information

Supplementary disclosure of cash flow information:

	2020	2019
Cash received from dividends and interest	\$ 229,186	\$ 376,947
Changes in non-cash operating working capital:		
Pledges receivable	\$ 134,809	\$ 114,388
Other receivables	435	(9,516)
Accounts payable and accrued liabilities	(300,456)	30,755
Community grants payable	(113,709)	(286,036)
Deferred revenue	(2,722)	(3,025)
	<u>\$ (281,643)</u>	<u>\$ (153,434)</u>

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

9. Financial risks and concentration of credit risk:

(a) Currency risk:

The United Way is not exposed to currency risk as all financial instruments are denominated in Canadian dollars.

(b) Liquidity risk:

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

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The United Way is exposed to credit risk with respect to pledges receivable. The United Way assesses, on a continuous basis, pledges receivable and provides for any amounts that are not collectible in the allowance for uncollectible pledges as described in note 2.

(d) Interest rate risk:

The United Way is exposed to interest rate risk on its investments. The United Way manages this risk through its investment policy specifying permitted investments within the portfolio. Information related to the United Way's investments is included in note 3.

There has been no change to the risk exposure from 2019.

10. Campaign revenue:

Campaign revenue relates to donations mainly received from donors in the Capital Regional District area. Certain United Ways are requested to act on behalf of employers and employee groups as the coordinator of their national campaigns and to receive and disburse funds on behalf of other United Ways within local communities.

Campaign revenue for United Way is as follows:

	2020	2019
Campaign revenue collected	\$ 3,562,187	\$ 4,447,143
Funds received from other United Ways	831,241	361,390
Funds received for other United Ways	(54,311)	(61,583)
Campaign revenue recognized	\$ 4,339,117	\$ 4,746,950

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

11. Cost ratios:

The following ratio is disclosed to align with the United Way of Canada - Centraide Canada's *Transparency, Accountability and Financial Reporting Policies for United Ways*. All streams of revenue and other expenditure items including campaign costs from other United Ways, investment portfolio fees and costs related to the individual giving program are included, consistent with guidance from United Way of Canada.

	2020	2019
Total revenue generated from all sources, before deducting pledge loss	\$ 4,583,748	\$ 5,467,790
Resource development	\$ 895,317	\$ 839,553
Investment in individual giving	412,925	633,030
General management and administration expense allocated to fundraising	258,467	321,674
Total fundraising expense	\$ 1,566,709	\$ 1,794,257
Resource development as a % of total revenue	19.5%	15.3%
Investment in individual giving as % of total revenue	9%	11.6%
General management and administration expense, as a % of total revenue	5.6%	5.9%
Total fundraising expense as a % of total revenue	34.1%	32.8%

The individual giving program is a five year investment strategy approved by the Board to generate revenues and is funded from income earned in the Investment Fund. The first two year investment strategy was approved by the Board in 2014 and a further three year investment strategy was approved by the Board in 2017. Funding from the Investment account ceased March 31, 2020.

THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2020

12. Commitments:

Multi-year funding agreements:

United Way has entered into agreements with certain community partners (agencies) to set their allocations over one to three year terms. The agreements can be renewed by mutual consent subject to the community partner meeting certain defined criteria established in the Memorandum of Understanding with the United Way.

Funding commitments to be paid out in the next three years are as follows:

2020 - 2021	\$ 2,246,724
2021 - 2022	126,615
2022 - 2023	-

Any donor directed gifts to community partners are distributed on top of grant allocations.

United Way has a \$500,000 credit facility available for borrowing. The line of credit has an interest rate of bank prime rate plus 1.25% and is unused as at March 31, 2020.

In 2016, United Way of Greater Victoria entered into a lease with an eight year term and an option to renew for a further seven year period. The future minimum lease payments to the expiry date are as follows:

2021	\$ 96,593
2022	101,645
2023	101,645
2024	101,645
2025	71,999

The lease agreement also includes United Way's proportionate share of operating costs, which are not included in the future minimum lease payments to the expiry date as noted above.

13. Employee and contractor remuneration:

The BC Societies Act came into effect on November 28, 2016. The Act has a requirement for the disclosure in the financial statements of the remuneration of directors, employees and contractors for financial statements prepared after November 28, 2016. For employee and contractor remuneration the requirement is to disclose amounts paid to individuals whose remuneration was greater than \$75,000. For the fiscal year ending March 31, 2020, the United Way of Greater Victoria paid remuneration of \$643,263 (2019 - \$644,144) to 6 (2019 - 6) employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater. For the fiscal years ending March 31, 2020 and 2019, the United Way of Greater Victoria made no payments to the Directors of the Board.

THE UNITED WAY OF GREATER VICTORIA

Grant Distributions
(Unaudited)

SCHEDULE A

Year ended March 31, 2020, with comparative information for 2019

	Community Investments	Restricted Funds	Total 2020	Total 2019
Funded community partners:				
Aboriginal Coalition to End Homelessness	\$ 25,000	-	\$25,000	25,000
Anawim Companions Society	25,000	-	25,000	25,000
BC211	256,610	-	256,610	200,060
BC Council for Families	-	-	-	1,000
BC Schizophrenia Society	25,000	-	25,000	25,000
Beacon Community Services	35,000	-	35,000	58,475
Big Brothers & Big Sisters of Victoria	50,000	-	50,000	50,000
Boys & Girls Club Services of Greater Victoria	90,000	-	90,000	79,665
Bridges for Women	35,000	-	35,000	35,000
Burnside Gorge Community Association	50,000	-	50,000	9,995
Community Options for Children & Families Society	-	-	-	5,000
Cridge Centre for the Family	39,000	-	39,000	44,000
DRS Dialogue & Resolution Services	-	-	-	5,000
Early Years Association	-	-	-	1,000
Esquimalt Nation	-	-	-	10,000
Esquimalt Neighbourhood House Society	25,000	-	25,000	30,925
Family Caregivers Network Society	30,000	-	30,000	5,000
Family Services of Greater Victoria	50,000	-	50,000	50,000
Farmlands Trust	-	14,315	14,315	14,625
Fernwood Neighbourhood Group Society	30,000	-	30,000	30,000
Friends of Living & Learning Through Loss	10,000	-	10,000	10,000
Galiano Activity Centre	-	-	-	4,255
Galiano Club	20,000	-	20,000	20,000
Garth Homer	50,000	-	50,000	39,670
Greater Victoria Citizens' Counseling Centre	-	-	-	5,000
Habitat for Humanity	-	-	-	5,000
Hulitan Social Services Society	-	-	-	92,000
Intercultural Association of Greater Victoria	80,000	-	80,000	90,000
Island Deaf & Hard of Hearing	50,000	-	50,000	50,000
Island Sexual Health Society	25,000	-	25,000	25,000
James Bay Health & Community Services Society	-	-	-	18,420
Learning Disabilities Association of B.C.	-	7,160	7,160	18,310
Lifecycles Project Society	-	-	-	10,000
Mayne Island Early Childhood Society	-	-	-	10,000
Need Crisis & Information Line	30,000	-	30,000	30,000
Oak Bay Volunteer Services Society	-	-	-	5,035
Oasis Society for Spiritual Health	25,000	-	25,000	25,000
Carried forward	1,055,610	21,475	1,077,085	1,162,435

THE UNITED WAY OF GREATER VICTORIA

Grant Distributions (continued)
(Unaudited)

SCHEDULE A

Year ended March 31, 2020, with comparative information for 2019

	Community Investments	Restricted Funds	Total 2020	Total 2019
Funded community partners (continued):				
Brought forward	1,055,610	21,475	1,077,085	1,162,435
Pacific Centre Family Services	52,000	-	52,000	70,000
Pacifica Housing Advisory Association	45,000	-	45,000	45,000
Parent Support Services Society of Canada	25,000	-	25,000	25,000
Pender Island Child Care	-	-	-	9,690
Pepaken Hautw Food Systems Education Foundation	-	-	-	5,000
Prostitutes Empowerment Education & Resources Society	50,000	-	50,000	50,000
Ready to Rent BC	30,000	-	30,000	30,000
Saanich Neighbourhood Place	30,000	-	30,000	38,000
Saanich Volunteer Services	-	-	-	5,900
Salt Spring Island - Community Services Society	60,000	-	60,000	71,225
Salt Spring Public Library	-	-	-	1,600
Salt Spring Women Opposed to Violence	25,000	-	25,000	25,000
Seniors Serving Seniors Association of BC	15,000	-	15,000	5,000
Signature Initiatives	(1,920)	-	(1,920)	165,095
Society of Saint Vincent de Paul of V. I.	40,000	-	40,000	40,000
Sooke Cooperative Assoc. of Service Agencies	-	-	-	5,000
Sooke Family Resource Centre	15,000	-	15,000	41,025
Sooke Transition House Society	30,000	14,315	44,315	44,625
South Island Centre - For Counseling & Training Society	-	-	-	5,000
Surrounded by Cedar	-	-	-	10,000
Together Against Poverty Society	55,000	-	55,000	55,000
Tseycum First Nation	-	-	-	10,000
Umbrella Foundation for Addictions & Mental Health	70,000	-	70,000	76,000
Vancouver Island AIDS Society (AVI)	70,000	-	70,000	70,000
Vancouver Island Men's Counselling Society	-	-	-	12,000
Victoria Brain Injury Society	45,000	-	45,000	45,000
Victoria Child Abuse Prevention & Counselling Ctr.	25,000	-	25,000	25,000
Victoria Child Care Resource & Referral	-	-	-	5,925
Victoria Cool Aid Society	80,000	-	80,000	86,000
Victoria Immigrant and Refugee Centre	40,000	-	40,000	40,000
Victoria Native Friendship Centre	70,000	-	70,000	76,000
Victoria Rainbow Kitchen	25,000	-	25,000	25,000
Victoria Therapeutic Riding Association	-	-	-	10,000
Victoria Single Parent Resource Centre	30,000	-	30,000	30,000
Victoria Women's Sexual Assault Centre	50,000	-	50,000	45,000
Victoria Women's Transition House	50,000	-	50,000	45,000
Victoria Youth Clinic	-	-	-	10,000
Victoria Youth Empowerment Society	40,000	-	40,000	40,000
We Rage, We Weep Alzheimer Foundation	-	-	-	7,000
	2,120,690	35,790	2,156,480	2,567,520
Donor Directed Gifts	1,059,634	-	1,059,634	1,113,816
Total Grant Distributions and Donor Directed Gifts	\$ 3,180,324	\$ 35,790	\$ 3,216,114	\$ 3,681,336

THE UNITED WAY OF GREATER VICTORIA

Administration Expenses
(Unaudited)

SCHEDULE B

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Amortization	\$ 108,980	\$ 112,838
Annual meeting	567	2,517
Audit and legal	34,276	64,778
Automobile and travel	17,795	18,483
Bank charges	7,649	8,009
Building costs and utilities	120,261	124,519
Computer	61,122	57,042
Insurance	9,048	8,802
Meetings and meals	7,804	4,981
Meetings and meals - board	8,754	9,598
Office supplies	6,115	7,550
Postage and courier	5,989	9,596
Printed materials	2,247	3,535
Recruitment	4,016	69,187
Staff development	23,784	22,341
Subscriptions and dues	2,022	2,324
Telephone	10,349	10,024
Administrative expenses to be allocated	430,778	536,124
Administration expense allocation to resource development - 60%:		
Workplace	(258,467)	(275,896)
Individual giving	-	(45,779)
Administration expense allocation to community investment - 40%	(172,311)	(214,449)
	\$ -	\$ -

THE UNITED WAY OF GREATER VICTORIA

Resource Development Expenses
(Unaudited)

SCHEDULE C

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Advertising	\$ 44,491	\$ 45,387
Automobile and travel	26,059	23,215
Campaign cost recovery	(14,608)	(14,160)
Credit card fees	20,431	16,787
Direct mail marketing	3,255	-
Employee benefits	90,580	108,139
Events:		
Golf	43,425	-
Kick-off	-	10,919
Leadership	-	1,228
Spirit awards/Spirit Fest	14,505	23,843
Meetings and meals	6,005	4,054
Printed materials	8,827	13,645
Salaries	542,532	557,824
Subscriptions and dues	2,524	583
Workplace campaign costs	2,087	6,877
Administration expense allocation - Workplace - 60%	258,467	275,896
	<u>\$ 1,048,580</u>	<u>\$ 1,074,237</u>

THE UNITED WAY OF GREATER VICTORIA

Community Impact Expenses
(Unaudited)

SCHEDULE D

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Advertising	\$ 17,796	\$ 11,347
Automobile and travel	4,504	4,702
Computer	408	408
Employee benefits	82,409	82,626
Meetings and meals	677	1,428
Partnership - community	21,465	5,522
Printing	-	1,292
Research and development	-	1,808
Salaries	503,540	518,184
Subscriptions and dues	50	162
Telephone	780	780
United Way of Canada fees	46,732	52,763
Administrative expenses to community impact allocations - 40%	172,311	214,449
	<u>\$ 850,672</u>	<u>\$ 895,471</u>

THE UNITED WAY OF GREATER VICTORIA

Success by 6 Expenses
(Unaudited)

SCHEDULE E

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Audit fees	\$ -	\$ 650
Auto and travel	-	1,307
Bank charges	20	20
Public awareness	1,083	19,316
Purchase of services	-	43,800
	<u>\$ 1,103</u>	<u>\$ 65,093</u>