

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

FINANCIAL STATEMENTS

FEBRUARY 28, 2022

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

FEBRUARY 28, 2022

CONTENTS

| | Page |
|--|-------------|
| INDEPENDENT AUDITORS' REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 3 |
| Statement of Changes in Fund Balances | 4 |
| Statement of Operations | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 - 13 |
| Schedule of General Management and Administration Expenditures | 14 |
| Schedule of Campaign Expenditures | 15 |
| Schedule of Community Impact Expenditures | 16 |
| Schedule of Allocations to Funded Organizations | 17 |

INDEPENDENT AUDITORS' REPORT

To the Members of the United Way Serving Saint John, Kings and Charlotte Inc.

Qualified Opinion

We have audited the accompanying financial statements of the United Way Serving Saint John, Kings and Charlotte Inc. (the "organization"), which comprise the statement of financial position as at February 28, 2022 and the statements of changes in fund balances, operations and cash flows 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 February 28, 2022, and the 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

In common with many charitable organizations, the organization derives revenues from the general public in the form of pledges and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenues from pledges and donations was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to these revenues, excess (deficiency) of revenue over expenditures, assets and fund balances.

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 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 relating 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.

(continues)

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 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 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 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.

Saint John, New Brunswick
June 16th, 2022



CHARTERED PROFESSIONAL ACCOUNTANTS

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

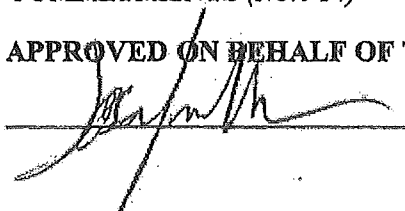
STATEMENT OF FINANCIAL POSITION


AS AT FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 765,892 | \$ 796,533 |
| Term deposits | 322,504 | 225,959 |
| Pledges receivable (Note 4) | 901,462 | 879,937 |
| Other receivables (Note 5) | 13,941 | 12,774 |
| Prepaid expenses | <u>13,512</u> | <u>9,484</u> |
| | 2,017,311 | 1,924,687 |
| TERM DEPOSITS | 522,169 | 514,032 |
| RESTRICTED TERM DEPOSITS (Note 9) | <u>53,065</u> | <u>73,065</u> |
| | <u>\$ 2,592,545</u> | <u>\$ 2,511,784</u> |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities (Note 7) | \$ 70,325 | \$ 87,948 |
| Allocations and grants payable (Note 8) | 1,210,930 | 1,119,498 |
| Deferred income (Note 9) | <u>176,655</u> | <u>77,718</u> |
| | <u>1,457,910</u> | <u>1,285,164</u> |
| RETIREMENT ALLOWANCE (Note 10) | <u>20,640</u> | <u>18,640</u> |
| FUND BALANCES | | |
| OPERATING RESERVE | 250,000 | 250,000 |
| INTERNALLY RESTRICTED | 513,457 | 513,457 |
| UNRESTRICTED | <u>350,538</u> | <u>444,523</u> |
| | <u>1,113,995</u> | <u>1,207,980</u> |
| | <u>\$ 2,592,545</u> | <u>\$ 2,511,784</u> |

COMMITMENTS (Note 14)

APPROVED ON BEHALF OF THE BOARD:


 _____ Director


 _____ Director

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | | | <u>2021</u> | |
|--|------------------------------|----------------------------------|---------------------|---------------------|---------------------|
| | <u>Operating Reserve</u> | <u>Internally Restricted</u> | <u>Unrestricted</u> | <u>Total</u> | <u>Total</u> |
| BALANCE AT BEGINNING OF YEAR | \$ 250,000 | \$ 513,457 | \$ 444,523 | \$ 1,207,980 | \$ 772,422 |
| Excess (deficiency) of revenue over expenditures | - | - | (93,985) | (93,985) | 435,558 |
| BALANCE AT END OF YEAR | <u>\$ 250,000</u> | <u>\$ 513,457</u> | <u>\$ 350,538</u> | <u>\$ 1,113,995</u> | <u>\$ 1,207,980</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|---|--------------------|-------------------|
| REVENUE | | |
| Campaign pledges and collections | | |
| Corporate and individual | \$ 703,276 | \$ 723,240 |
| Payroll deductions | 736,775 | 697,647 |
| Investment advisory | 203,361 | 335,500 |
| Special events | <u>17,530</u> | <u>235</u> |
| Gross campaign revenue | 1,660,942 | 1,756,622 |
| Uncollectible pledges loss | <u>(57,277)</u> | <u>(74,136)</u> |
| Net campaign revenue | <u>1,603,665</u> | <u>1,682,486</u> |
| Forfeited allocations | 40,372 | 137,314 |
| Other pledges and collections | 33,997 | 13,441 |
| Investment income (Note 11) | 32,191 | 21,357 |
| Program revenue | 10,375 | 10,994 |
| Health partners cost recovery (Note 12) | 2,827 | 721 |
| COVID-19 Emergency Community Support Fund | - | 603,621 |
| Atlantic Compassion Fund | - | 286,591 |
| COVID-19 Seniors Response Funding | - | 59,835 |
| COVID-19 wage subsidies | - | 47,773 |
| Other United Way campaigns | <u>-</u> | <u>5,944</u> |
| | <u>119,762</u> | <u>1,187,591</u> |
| | <u>1,723,427</u> | <u>2,870,077</u> |
| EXPENDITURES | | |
| Campaign (Page 15) | 232,693 | 181,821 |
| Community impact (Page 16) | <u>1,584,719</u> | <u>2,253,022</u> |
| | <u>1,817,412</u> | <u>2,434,843</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES BEFORE NET UNREALIZED GAIN (LOSS) | (93,985) | 435,234 |
| NET UNREALIZED GAIN (LOSS) | <u>-</u> | <u>324</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | <u>\$ (93,985)</u> | <u>\$ 435,558</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|---|-------------------|-------------------|
| CASH PROVIDED BY (USED IN) | | |
| Operating activities | | |
| Excess (deficiency) of revenue over expenditures | \$ (93,985) | \$ 435,558 |
| Items not involving cash: | | |
| Donated investments | (51,964) | (16,054) |
| Amortization of capital assets | - | 631 |
| Net unrealized loss (gain) | - | (324) |
| Gain on disposal of investments | <u>(1,324)</u> | <u>(8,403)</u> |
| | (147,273) | 411,408 |
| Changes in non-cash working capital balances: | | |
| Pledges receivable | (21,525) | 36,373 |
| Other receivables | (1,167) | 9,094 |
| Prepaid expenses | (4,028) | (1,175) |
| Accounts payable and accrued liabilities | (17,623) | 45,063 |
| Allocations and grants payable | 91,432 | (133,738) |
| Deferred income | 98,937 | (17,899) |
| Retirement allowance | <u>2,000</u> | <u>-</u> |
| | <u>753</u> | <u>349,126</u> |
| Investing activities | | |
| Proceeds over purchase (purchase over proceeds) of term deposits | (104,682) | 187,191 |
| Proceeds over purchase (purchase over proceeds) of restricted term deposits | 20,000 | (12) |
| Proceeds from disposal of investments | 53,288 | 48,324 |
| Purchase of investments | <u>-</u> | <u>(3)</u> |
| | <u>(31,394)</u> | <u>235,500</u> |
| (DECREASE) INCREASE IN CASH | (30,641) | 584,626 |
| CASH AT BEGINNING OF YEAR | <u>796,533</u> | <u>211,907</u> |
| CASH AT END OF YEAR | <u>\$ 765,892</u> | <u>\$ 796,533</u> |
| SUPPLEMENTARY CASH FLOW INFORMATION | | |
| Interest received | <u>\$ 20,208</u> | <u>\$ 6,412</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

1. PURPOSE OF ORGANIZATION

The United Way Serving Saint John, Kings and Charlotte Inc. (the "organization") is a tax-exempt registered Canadian charity, constituted under the laws of New Brunswick and administered entirely by its duly-elected Board of Directors. It annually conducts a review of funding requests, sets a fund-raising goal, organizes a single community-wide fundraising campaign and distributes the proceeds according to a prearranged schedule.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO").

Cash and Cash Equivalents

The organization considers cash on hand and balances with banks, net of overdrafts as cash or cash equivalents.

Term Deposits

Term deposits are funds held in guaranteed investment certificates. Guaranteed investment certificates mature between March 3, 2022 to May 13, 2026 and bear interest at 0.45% to 1.05% and market variable rates. The guaranteed investment certificates are held in the custody of the Bank of Montreal and are recorded at cost plus accrued interest, which approximates fair value.

Investments

Securities donated as payment in kind for pledges receivable are initially recorded at their fair value on the donation date and a charitable receipt is issued in that amount.

Fair values of investments in equity securities were determined using year-end quoted market prices.

The investments of the organization were held in the custody of Investors Group Securities Inc. and consisted of liquid equity investments.

The organization's policy is to liquidate all donated securities received on a timely basis.

Capital Assets

Capital assets are recorded at cost less grants or donations specifically designated for their purchase, less accumulated amortization.

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

| | |
|-------------------|-----|
| Computer hardware | 33% |
| Computer software | 20% |

The organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Internally Restricted Fund

The Internally Restricted Fund was established by the Board of Directors to consolidate its restricted net asset accounts to simplify the financial presentation and internal management of these reserves. These funds are to be utilized as approved by the Board of Directors.

Operating Reserve Fund

The Operating Reserve Fund is defined as an internally restricted fund set aside by action of the Board of Directors. The purpose of the Operating Reserve Fund is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization.

The required target minimum amount to be maintained in the Operating Reserve Fund is equal to three months of average operating costs. The calculation of average monthly operating costs includes all recurring administration, campaign and program costs including designated payments.

The Operating Reserve Fund is to be funded with surplus unrestricted operating funds. The Board of Directors may direct that a specific source of revenue be designated to the Operating Reserve Fund.

Transfers from the Operating Reserve Fund are required to be approved by the Board of Directors. The organization's goal is to replenish the funds used within twelve months to a maximum of three years to restore the Operating Reserve Fund to the target minimum amount.

During the year, the board approved no transfers (2021 - \$nil) to the Operating Reserve Fund.

Revenue Recognition

Contributions are recorded when the related pledges are received or receivable if collection thereof is reasonably assured. Pledges receivable are recorded net of an allowance for uncollectible pledges. The organization uses the deferral method of accounting for contributions.

Investment and other income is recognized on an accrual basis.

Contributed Services

Volunteers contribute an indeterminable number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Financial Instruments Policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in excess (deficiency) of revenue over expenditures. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period.

(continues)

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement Uncertainty *(continued)*

Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Examples of significant estimates include:

- the allowance for doubtful pledges;
- providing for amortization of capital assets;
- the estimated useful lives of assets;
- the recoverability of tangible assets; and
- certain actuarial and economic assumptions used in determining the retirement allowance liability.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of February 28, 2022.

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 pledges. The amounts recorded in the statement of financial position are presented net of an allowance for doubtful pledges, which management estimates based on past experience and its assessment of current economic conditions. The organization believes that its credit risk from pledges is limited to the amount of the allowance.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its pledges and other related sources, accounts payable and accrued liabilities and other obligations.

Currency Risk

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is not exposed to foreign currency exchange risk as there is an insignificant balance of cash held in U.S. dollars.

Interest Rate 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 variable interest rate guaranteed investment certificates. The organization has no interest-bearing liabilities.

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

4. PLEDGES RECEIVABLE

| | <u>2022</u> | <u>2021</u> |
|--|-------------------|-------------------|
| Payroll deduction plan | \$ 575,568 | \$ 553,836 |
| Other pledges | <u>401,894</u> | <u>402,101</u> |
| | 977,462 | 955,937 |
| Less allowance for uncollectible pledges <i>(Note 3)</i> | <u>(76,000)</u> | <u>(76,000)</u> |
| | <u>\$ 901,462</u> | <u>\$ 879,937</u> |

5. OTHER RECEIVABLES

| | <u>2022</u> | <u>2021</u> |
|---|------------------|------------------|
| Estate of Mary K. McKean <i>(Note 11)</i> | \$ 7,087 | \$ 8,067 |
| HST rebate | 4,027 | 3,717 |
| Health partners cost recovery | <u>2,827</u> | <u>990</u> |
| | <u>\$ 13,941</u> | <u>\$ 12,774</u> |

6. CAPITAL ASSETS

| | <u>2022</u> | | | <u>2021</u> |
|-------------------|------------------|-------------------------------------|-------------|-------------|
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net</u> | <u>Net</u> |
| Computer hardware | \$ 3,974 | \$ 3,974 | \$ - | \$ - |
| Computer software | <u>8,824</u> | <u>8,824</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 12,798</u> | <u>\$ 12,798</u> | <u>\$ -</u> | <u>\$ -</u> |

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | <u>2022</u> | <u>2021</u> |
|----------------------------|------------------|------------------|
| Trade payables | \$ 62,051 | \$ 81,116 |
| Payroll deductions payable | <u>8,274</u> | <u>6,832</u> |
| | <u>\$ 70,325</u> | <u>\$ 87,948</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

8. ALLOCATIONS AND GRANTS PAYABLE

| | <u>2022</u> | <u>2021</u> |
|--|---------------------|---------------------|
| Funded organizations - Current Year Allocations | \$ 1,145,500 | \$ 1,058,000 |
| Funded organizations - Previous Year Allocations | - | 15,374 |
| Designated organizations | 63,449 | 43,589 |
| Health partners | <u>1,981</u> | <u>2,535</u> |
| | <u>\$ 1,210,930</u> | <u>\$ 1,119,498</u> |

9. DEFERRED INCOME

| | <u>2022</u> | <u>2021</u> |
|--|-------------------|------------------|
| Restricted funds | \$ 53,065 | \$ 73,065 |
| SJ Poverty Reduction Project (Note 15) | 123,590 | - |
| Emergency Covid support | <u>-</u> | <u>4,653</u> |
| | <u>\$ 176,655</u> | <u>\$ 77,718</u> |

During 2015, the organization received a donation of \$375,000 from the Potash Corporation of Saskatchewan Inc. (the "PotashCorp fund"). As of February 28, 2022, a total of \$330,000 of the donation has been utilized to fund allocations and grants. The remaining balance is deferred until the funds are disbursed in accordance with the terms in the donation agreement.

The remainder of the \$45,000 fund balance plus accumulated interest of \$8,065 is required to be disbursed under the organization's established allocation process to benefit Sussex and surrounding area residents, within ten years of the date that the fund was established. All investment earnings from the PotashCorp fund balance are required to be included in the fund balance.

10. RETIREMENT ALLOWANCE

Following the guidelines set forth in the Collective Bargaining Agreement, all permanent employees with at least fifteen years of service are entitled to a retirement allowance of one week's pay per year of service to a maximum of twenty six weeks' pay. During the year, the organization recorded an expenditure of \$2,000 (2021 - \$nil) pertaining to these future liabilities and paid no allowances (2021 - \$nil).

11. INVESTMENT INCOME

Investment income includes an estimate of \$7,087 (2021 - \$8,067) receivable from the estate of the late Mary K. McKean, representing 10% of the net investment income earned on the estate capital up to the end of the fiscal year, being the pro-rata share of the income to which, according to the terms of Ms. McKean's will, the United Way Serving Saint John, Kings and Charlotte Inc. is entitled on an annual basis in perpetuity.

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

12. HEALTH PARTNERS COST RECOVERY

The organization is eligible to recover campaign costs incurred and directly attributable to the Health Partners National Campaign. The total costs recoverable during the period are:

| | <u>2022</u> |
|-----------------------|-----------------|
| Salaries and benefits | \$ 1,877 |
| Administration | 867 |
| Telephone | 19 |
| Postage | 12 |
| Campaign expenditures | <u>52</u> |
| Total | <u>\$ 2,827</u> |

13. REALLOCATION OF GENERAL MANAGEMENT AND ADMINISTRATION EXPENDITURES

The general management and administration expenditures are incurred to support the functional areas and are reallocated to the campaign and community impact activities based on a cost allocation model that is reviewed and updated annually. Using this method, general management and administration expenditures have been reallocated as follows:

| | <u>2022</u> | <u>2021</u> |
|---|-------------|-------------|
| Reallocation to campaign expenditures | 60.00 % | 60.00 % |
| Reallocation to community impact expenditures | 40.00 % | 40.00 % |

In accordance with guidelines established by the United Way of Canada, expenditures directly related to local community service and special research programs, and fees payable to the national organization, have been segregated from campaign and administration expenditures.

14. COMMITMENTS

The Board of Directors passed a motion to commit \$709,500 in grants over the next two years pending completion of certain conditions prior to the disbursement of funds.

| | |
|-------------|---------|
| 2022 - 2023 | 427,500 |
| 2023 - 2024 | 282,000 |

Under the terms of the lease agreement for office premises, the organization is committed to payments over the next three years as follows:

| | |
|-------------|--------|
| 2022 - 2023 | 25,164 |
| 2023 - 2024 | 25,164 |
| 2024 - 2025 | 8,388 |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2022

15. OTHER

In February 2021, United Way accepted the remaining funds from Living SJ after it closed its organization. Funds must be used to build and/or maintain collective impact best practices that break the cycle of poverty in Saint John. After three years, any unspent funds may be used for United Way's general poverty reduction work.

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

SCHEDULE OF GENERAL MANAGEMENT AND ADMINISTRATION EXPENDITURES

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|--|-----------------|-----------------|
| Salaries and benefits | \$ 29,643 | \$ 22,702 |
| Occupancy costs | 23,568 | 20,937 |
| Professional fees | 14,880 | 13,883 |
| Equipment repairs and leasing | 13,935 | 10,265 |
| Publicity and promotion | 12,133 | 9,361 |
| Bank charges | 6,815 | 6,157 |
| Commercial and liability insurance | 2,240 | 1,943 |
| Telephone | 1,617 | 1,276 |
| Office supplies and postage | 482 | 2,742 |
| Training and conferences | 14 | - |
| Amortization | - | 631 |
| Miscellaneous | <u>813</u> | <u>680</u> |
| Total general management and administration expenditures | 106,140 | 90,577 |
| Reallocation to campaign expenditures <i>(Note 13)</i> | (63,684) | (54,346) |
| Reallocation to community impact expenditures <i>(Note 13)</i> | <u>(42,456)</u> | <u>(36,231)</u> |
| Unallocated general management and administration expenditures | \$ <u>-</u> | \$ <u>-</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

SCHEDULE OF CAMPAIGN EXPENDITURES

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|---|-------------------|-------------------|
| Salaries and benefits | \$ 148,215 | \$ 113,509 |
| Centralized campaign management and other donation fees | 12,718 | 11,553 |
| Special event expenditures | 3,060 | 3 |
| Postage | 1,929 | 762 |
| Telephone | 1,617 | 1,276 |
| Campaign expenditures | 1,464 | 372 |
| Training and conferences | <u>6</u> | <u>-</u> |
| | 169,009 | 127,475 |
| Reallocation of general management and administration expenditures (<i>Page 14</i>) | <u>63,684</u> | <u>54,346</u> |
| Total campaign expenditures | <u>\$ 232,693</u> | <u>\$ 181,821</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

SCHEDULE OF COMMUNITY IMPACT EXPENDITURES

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|--|---------------------|---------------------|
| Funded organizations (<i>Page 17</i>) | \$ 1,145,500 | \$ 1,058,000 |
| Program expenditures | | |
| Salaries and benefits | 118,572 | 90,807 |
| Community development and special projects | 59,853 | 11,368 |
| Leadership development | 18,304 | 6,565 |
| United Way of Canada dues | 18,180 | 14,608 |
| 211 New Brunswick | 17,502 | - |
| Songs of the City | 7,991 | - |
| Atlantic Collaboration | 4,000 | 3,442 |
| Occupancy costs | 2,619 | 2,326 |
| Telephone | 808 | 638 |
| COVID-19 Emergency Community Support Fund grants | - | 559,996 |
| Atlantic Compassion Fund grants | - | 285,813 |
| COVID-19 Seniors Response Funding grants | - | 56,919 |
| COVID-19 Emergency Community Support Fund administration costs | - | 43,625 |
| Living Saint John | - | 10,000 |
| COVID-19 Seniors Response Funding administration costs | - | 2,916 |
| Atlantic Compassion Fund donation fees | - | 778 |
| Other | 682 | 217 |
| Designations by donors to organizations not part of United Way | 87,522 | 57,673 |
| Contribution to the United Way Saint John, Kings County, Charlotte Endowment fund | <u>60,730</u> | <u>11,100</u> |
| | 1,542,263 | 2,216,791 |
| Reallocation of general management and administration expenditures (<i>Page 14</i>) | <u>42,456</u> | <u>36,231</u> |
| Total community impact expenditures | <u>\$ 1,584,719</u> | <u>\$ 2,253,022</u> |

UNITED WAY SERVING SAINT JOHN, KINGS AND CHARLOTTE INC.

SCHEDULE OF ALLOCATIONS TO FUNDED ORGANIZATIONS

FOR THE YEAR ENDED FEBRUARY 28, 2022

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| <u>Funded Organizations:</u> | | |
| Current Campaign Funded Organizations: | | |
| Ability New Brunswick | \$ 12,000 | \$ 10,000 |
| Bee Me Kidz | 50,000 | 50,000 |
| Big Brothers - Big Sisters of Saint John | 80,000 | 70,000 |
| Black's Harbour School | 45,500 | 50,000 |
| BGC Greater Saint John | 85,000 | 60,000 |
| BGC Greater Saint John/Fundy Transportation | 20,000 | - |
| Charlotte County Dial-A-Ride | 30,000 | 30,000 |
| Family Plus Life Solutions | 95,000 | 110,000 |
| First Steps Housing Project Inc. | 100,000 | 100,000 |
| Milltown Elementary School | 93,000 | 93,000 |
| Outflow Ministry Inc. | 40,000 | 40,000 |
| Saint John Community Loan Fund | 50,000 | 50,000 |
| Saint John Learning Exchange Ltd. | 100,000 | 110,000 |
| St. George Food Bank | 20,000 | - |
| Second Stage Safe Haven Inc. | 50,000 | 50,000 |
| Sistema | 50,000 | 50,000 |
| Snider Mountain | - | 20,000 |
| Sophia Recovery Centre Inc. | 60,000 | 40,000 |
| Sussex Regional Library/Multicultural Association | 55,000 | - |
| Teen Resource Centre | 60,000 | 50,000 |
| Women's Empowerment Network | 50,000 | 50,000 |
| YMCA of Greater Saint John | - | <u>25,000</u> |
| | <u>\$ 1,145,500</u> | <u>\$ 1,058,000</u> |