

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
INDEX TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

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## Independent Auditor's Report

### To the Directors of The United Way of Haldimand and Norfolk

#### Qualified Opinion

I have audited the accompanying financial statements of The United Way of Haldimand and Norfolk, which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of The United Way of Haldimand and Norfolk (the Organization) as at March 31, 2022, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### Basis for Qualified Opinion

In common with many not-for-profit organizations, The United Way of Haldimand and Norfolk derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of The United Way of Haldimand and Norfolk. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2022 and year ended March 31 2021, current assets and net assets as at March 31, 2022 and March 31, 2021, and net assets as at April 1, 2021 and April 1, 2020. My audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of The United Way of Haldimand and Norfolk in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

(continues)

- 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.



Simcoe, Ontario  
August 17, 2022

BRYSON CPA PROFESSIONAL CORPORATION  
Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 124,785	\$ 228,384
Guaranteed investment certificates (Note 2)	293,506	108,387
Harmonized sales tax recoverable	3,689	16,303
Prepaid expenses	4,431	3,579
	<b>426,411</b>	<b>356,653</b>
<b>Guaranteed investment certificates - long-term (Note 2)</b>	<b>75,008</b>	<b>108,675</b>
<b>Capital assets (Note 3)</b>	<b>1,673</b>	<b>2,262</b>
	<b>\$ 503,092</b>	<b>\$ 467,590</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 10,734	\$ 10,459
<b>Long-term debt (Note 4)</b>	<b>40,000</b>	<b>60,000</b>
	<b>50,734</b>	<b>70,459</b>
<b>Net assets</b>		
Operating fund	442,857	387,630
Reserve fund	9,501	9,501
	<b>452,358</b>	<b>397,131</b>
	<b>\$ 503,092</b>	<b>\$ 467,590</b>

**Lease commitments (Note 9)**

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2022**

	2022	2021
<b>Revenue</b>		
Contributions	\$ 289,974	\$ 304,336
Government assistance (Note 5)	27,637	-
Grant - Libro Credit Union	20,000	-
Interest income	1,926	3,169
COVID-19 Emergency support - Government contributions	-	604,472
COVID-19 Emergency support - Community contributions	-	57,263
<b>Total revenue</b>	<b>339,537</b>	<b>969,240</b>
<b>Fundraising expenses (Schedule 2)</b>	<b>58,485</b>	<b>82,314</b>
<b>Net revenue available for programs</b>	<b>281,052</b>	<b>886,926</b>
<b>Program expenses</b>		
UWHN program expenses (Schedule 3)	83,075	700,765
Allocations to member agencies (Schedule 4)	142,750	138,394
<b>Total program expenses</b>	<b>225,825</b>	<b>839,159</b>
<b>Excess of revenue over expenses</b>	<b>\$ 55,227</b>	<b>\$ 47,767</b>

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2022**

	Operating Fund		Reserve Fund		2022	2021
<b>Net assets - beginning of year</b>	\$	387,630	\$	9,501	\$ 397,131	\$ 349,364
Excess of revenue over expenses		55,227		-	55,227	47,767
<b>Net assets - end of year</b>	\$	442,857	\$	9,501	\$ 452,358	\$ 397,131

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

**THE UNITED WAY OF HALDIMAND AND NORFOLK**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 55,227	\$ 47,767
Items not affecting cash:		
Amortization of capital assets	589	809
Government assistance - debt forgiveness <i>(Notes 4, 5)</i>	(20,000)	-
	<b>35,816</b>	<b>48,576</b>
Changes in non-cash working capital:		
Harmonized sales tax	12,614	(6,652)
Prepaid expenses	(852)	(189)
Accounts payable and accrued liabilities	275	(12,224)
	<b>12,037</b>	<b>(19,065)</b>
Cash flow from operating activities	<b>47,853</b>	<b>29,511</b>
<b>Investing activities</b>		
Guaranteed investment certificates - current	(185,119)	105,505
Guaranteed investment certificates - long-term	33,667	(108,675)
Cash flow used by investing activities	<b>(151,452)</b>	<b>(3,170)</b>
<b>Financing activity</b>		
Proceeds from long-term debt	-	60,000
<b>Increase (decrease) in cash</b>	<b>(103,599)</b>	<b>86,341</b>
<b>Cash - beginning of year</b>	<b>228,384</b>	<b>142,043</b>
<b>Cash - end of year</b>	<b>\$ 124,785</b>	<b>\$ 228,384</b>

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

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
SCHEDULE OF GENERAL AND ADMINISTRATION EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2022**

**(Schedule 1)**

	<b>2022</b>	<b>2021</b>
Salaries, benefits and personnel contracts	\$ 89,732	\$ 119,004
Office and general	9,629	9,114
Office rent	4,989	7,635
Professional fees	4,573	7,328
Insurance	1,835	1,599
Telecommunications	1,525	966
Amortization of capital assets	589	809
General and administration expenses before allocation <i>(Note 10)</i>	<b>112,872</b>	146,455
Allocation to fundraising expenses <i>(Schedule 2)</i>	<b>(56,436)</b>	(73,227)
Allocation to program expenses <i>(Schedule 3)</i>	<b>(56,436)</b>	(73,228)
<b>General and administration expenses after allocation</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHEDULE OF FUNDRAISING EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2022**

**(Schedule 2)**

	<b>2022</b>	<b>2021</b>
Direct mail expenses	\$ 1,487	\$ 4,677
Promotion and publicity	203	3,970
Printing material	359	440
Total direct fundraising expenses	<b>2,049</b>	9,087
Allocation of general and administration expenses <i>(Schedule 1)</i>	<b>56,436</b>	73,227
<b>Total fundraising expenses</b>	<b>\$ 58,485</b>	<b>\$ 82,314</b>

**SCHEDULE OF PROGRAM EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2022**

**(Schedule 3)**

	<b>2022</b>	<b>2021</b>
COVID-19 distributions - Government contributions	\$ -	\$ 563,395
COVID-19 distributions - Community contributions	-	55,434
Grant allocation - True Experience Supportive Housing	<b>18,400</b>	-
Designations and other	<b>5,239</b>	5,708
United Way of Canada dues	<b>3,000</b>	3,000
Total direct program expenses	<b>26,639</b>	627,537
Allocation of general and administration expenses <i>(Schedule 1)</i>	<b>56,436</b>	73,228
UWHN program expenses	<b>83,075</b>	700,765
Allocations to member agencies <i>(Schedule 4)</i>	<b>142,750</b>	138,394
<b>Total program expenses</b>	<b>\$ 225,825</b>	<b>\$ 839,159</b>

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

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
SCHEDULE OF ALLOCATIONS TO MEMBER AGENCIES  
FOR THE YEAR ENDED MARCH 31, 2022**

**(Schedule 4)**

	<b>2022</b>	<b>2021</b>
Bereaved Families of Ontario	\$ -	\$ 2,500
Big Brothers and Big Sisters Association Haldimand-Norfolk	<b>15,000</b>	33,500
Community Addiction and Mental Health Services of Haldimand and Norfolk	<b>5,000</b>	8,625
Community Support Centre Haldimand-Norfolk	<b>19,000</b>	19,000
Dalhousie Place	<b>10,000</b>	14,000
Haldimand-Norfolk REACH	<b>26,500</b>	26,500
Norfolk Association for Community Living	-	1,519
Norfolk Community Help Centre	<b>10,000</b>	5,000
Strong Start	<b>20,000</b>	8,750
True Experience Supportive Housing	<b>22,250</b>	19,000
Victim Services of HNMCFN	<b>15,000</b>	-
<b>Total allocations to funded agencies</b>	<b>\$ 142,750</b>	<b>\$ 138,394</b>

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

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

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**PURPOSE OF THE ORGANIZATION**

The United Way of Haldimand and Norfolk (the "Organization" or "UWHN") is a not-for-profit organization incorporated federally without share capital under the Canada Not-for-profit Corporations Act. As a registered charity the Organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act (Canada). The purpose of the Organization is to unite donors, volunteers, human service providers and their clients to improve the quality of life in the communities of Haldimand and Norfolk counties.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of presentation**

UWHN utilizes the Transparency, Accountability and Financial Reporting ("TAFR") policies developed by United Way of Canada - Centraide Canada ("UWC-CC") to enhance the transparency, simplicity and consistency of its financial reporting. These policies are in accordance with Canadian generally accepted accounting principles.

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the *CPA Canada Handbook*.

**(b) Revenue recognition**

UWHN follows the deferral method of accounting for contributions which include campaign revenue. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Interest income is recognized on a time proportion basis.

Other revenue is recognized when earned

**(c) Allocations to member agencies**

Allocations to member agencies are endorsed by the board of directors, based on the United Way's Citizen's Review Process. UWHN recognizes the allocation to member agencies expense in the period in which the allocations are paid.

**(d) Net assets**

*Operating fund - Unrestricted*

The Organization has established an Operating fund for the purposes of recording the excess of revenue over expenditures related to ongoing programs and activities. All allocations to member agencies and United Way community services and operations are financed from this fund.

*Reserve fund - Internally restricted*

The Organization has established a Reserve fund which may be used for extraordinary and non-recurring operating costs and capital costs incurred by the Organization. This fund will be maintained or used at the discretion of the board of directors.

*(continues)*

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Contributed services and materials**

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services and materials are not recognized in the financial statements

**(f) Financial instruments**

Financial assets and financial liabilities are initially recorded at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured 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.

**(g) Capital assets**

Purchased capital assets are recorded at cost. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates: Computer equipment - 30% per annum; Office furniture and fixtures - 20% per annum.

**(h) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks.

**(i) Use of estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported 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 expenses during the reporting period. Significant items subject to such estimates include the allowance for pledge loss and the useful lives of capital assets. Actual results could differ from these estimates.

**(j) Government assistance**

Government assistance is recognized where there is reasonable assurance that the Organization qualifies for such assistance and it will be received. Government assistance is recognized as revenue over the periods in which the expenses are incurred for which the assistance is intended to compensate.

**2. GUARANTEED INVESTMENT CERTIFICATES**

At March 31, 2022, the Organization held guaranteed investment certificates that mature between April 2022 and May 2023 earning interest at an average annual effective rate of 0.95%.

**3. CAPITAL ASSETS**

	Cost	Accumulated Amortization	2022	2021
Computer equipment	\$ 4,043	\$ 3,088	\$ 955	\$ 1,364
Office furniture and fixtures	8,170	7,452	718	898
	\$ 12,213	\$ 10,540	\$ 1,673	\$ 2,262

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

**4. LONG-TERM DEBT**

**2022**

**2021**

The Organization applied for and received financing for \$60,000 under the Government of Canada's Canada Emergency Business Account ("CEBA") loan program. If the Organization repays \$40,000 by December 31, 2023, the \$20,000 balance will be forgiven. Otherwise, an interest rate of 5% will apply to the balance, which will be repayable in 36 monthly blended instalments ending December 31, 2025. The Organization recognized debt forgiveness of \$20,000 in net income during the year ended March 31, 2022 under government assistance when it was determined that there was reasonable assurance that the Organization will comply with the conditions for forgiveness and repay \$40,000 by December 31, 2023.

**\$ 40,000 \$ 60,000**

**5. GOVERNMENT ASSISTANCE**

**Government of Canada's Canada Emergency Business Account ("CEBA")**

As described in note 4, the Organization recognized \$20,000 in income during the year ended March 31, 2022 as debt forgiveness under government assistance when it was determined that there was reasonable assurance that the Organization will comply with the conditions for forgiveness and repay \$40,000 by December 31, 2023.

**Canada Emergency Wage Subsidy ("CEWS")**

Government assistance in the amount of \$7,008 was credited directly to income during the year ended March 31, 2022 under the Government of Canada's Canada Emergency Wage Subsidy ("CEWS") measures. At March 31, 2022, \$nil of this government assistance was receivable.

**Canada Emergency Rent Subsidy ("CERS")**

Government assistance in the amount of \$629 was credited directly to income during the year ended March 31, 2022 under the Government of Canada's Canada Emergency Rent Subsidy ("CERS") measures. At March 31, 2022, \$nil of this government assistance was receivable.

**6. FINANCIAL INSTRUMENTS**

The Organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis describes the Organization's risk exposure as at March 31, 2022.

**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 long-term debt and accounts payable.

**7. COMPARATIVE FIGURES**

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current period.

**THE UNITED WAY OF HALDIMAND AND NORFOLK  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022**

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**8. SUBSEQUENT EVENTS**

**Allocations approved**

The board of directors approved allocations to be paid to member agencies of \$144,803 in total. These allocations are scheduled to be paid monthly between April 2022 and March 2023. UWHN recognizes the allocation to member agencies expense in the period in which the allocations are paid.

**9. LEASE COMMITMENTS**

The Organization has a lease with respect to its office located in Simcoe, Ontario which expires October 1, 2022. Future minimum lease payments as at March 31, 2022, are as follows:

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2023	\$	2,712
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**10. ALLOCATION OF GENERAL AND ADMINISTRATION EXPENSES**

The Organization allocates its costs to two functional areas: fundraising and programs. General and administration expenses (Schedule 1) which do not pertain specifically to fundraising or programs are allocated based on management's estimates of time as follows:

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	<b>2022</b>	<b>2021</b>
Allocation to fundraising expenses	<b>50%</b>	50%
Allocation to program expenses	<b>50%</b>	50%