

United Way Estevan
Financial Statements
December 31, 2023

Management's Responsibility

To the Board of Directors of United Way Estevan:

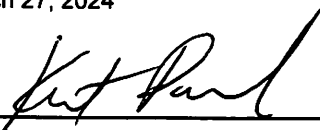
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Charity. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and may meet periodically and separately with, both the Board and management to discuss their audit findings.

March 27, 2024



To the Board of United Way Estevan:

Qualified Opinion

We have audited the financial statements of United Way Estevan (the "Charity"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenses, changes in fund balances 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 Charity as at December 31, 2023, 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 Charity derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Charity and we were unable to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenses 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Charity'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 Charity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity'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 Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity 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.

Estevan, Saskatchewan

March 27, 2024

MNP LLP

Chartered Professional Accountants

United Way Estevan
Statement of Financial Position
As at December 31, 2023

	<i>Operating Fund</i>	<i>Projects Fund</i>	<i>Community Impact Fund</i>	<i>Capital Assets Fund</i>	2023	2022
Assets						
Current						
Cash	92,271	-	135	-	92,406	24,043
Marketable securities (Note 3)	416,080	-	-	-	416,080	450,000
Accounts receivable (Note 4)	69,628	-	-	-	69,628	73,122
Goods and Service Tax receivable	596	-	-	-	596	171
	578,575	-	135	-	578,710	547,336
Capital assets (Note 5)	-	-	-	13,441	13,441	3,350
	578,575	-	135	13,441	592,151	550,686
Liabilities						
Current						
Accounts payable	1,040	-	-	-	1,040	-
Member allocation payable	250,000	-	28,000	-	278,000	258,500
Deferred contributions (Note 6)	15,000	-	-	-	15,000	-
	266,040	-	28,000	-	294,040	258,500
Fund Balances						
Operating	312,535	-	-	-	312,535	309,701
Community impact	-	-	(27,865)	-	(27,865)	(20,865)
Capital assets	-	-	-	13,441	13,441	3,350
	312,535	-	(27,865)	13,441	298,111	292,186
	578,575	-	135	13,441	592,151	550,686

Approved on behalf of the Board


 Director


 Director

The accompanying notes are an integral part of these financial statements

United Way Estevan
Statement of Revenue and Expenses
For the year ended December 31, 2023

	<i>Operating Fund</i>	<i>Projects Fund</i>	<i>Community Impact Fund</i>	<i>Capital Assets Fund</i>	2023	2022
Revenue						
Donations (Note 8)	381,953	-	-	-	381,953	386,658
Special Projects Grants (Note 8)	-	123,918	-	-	123,918	-
Uncollectible pledges	(4,547)	-	-	-	(4,547)	(100)
Interest income	6,668	-	6,666	-	13,333	2,680
Total revenue	384,073	123,918	6,666	-	514,657	389,238
Campaign expenses (Note 9)	48,725	-	-	-	48,725	49,532
Net revenue available for programs	335,348	123,918	6,666	-	465,932	339,706
Program expenses - general (Note 10)	24,400	-	-	-	24,400	24,232
Program expenses - member allocations (Note 11)	250,000	-	-	-	250,000	237,500
Designated donations expense	2,107	-	-	-	2,107	5,344
Special projects fund (Note 12)	-	124,674	-	-	124,674	2,179
Community impact fund (Note 13)	-	-	54,607	-	54,607	64,405
Amortization	-	-	-	3,359	3,359	837
	276,507	124,674	54,607	3,359	459,147	334,497
Excess (deficiency) of revenue over expenses before other items	58,841	(756)	(47,941)	(3,359)	6,785	5,209
Other items						
Loss on disposal of capital assets	-	-	-	(860)	(860)	-
Excess (deficiency) of revenue over expenses	58,841	(756)	(47,941)	(4,219)	5,925	5,209

The accompanying notes are an integral part of these financial statements

United Way Estevan
Statement of Changes in Fund Balances

For the year ended December 31, 2023

	<i>Operating Fund</i>	<i>Projects Fund</i>	<i>Community Impact Fund</i>	<i>Capital Assets Fund</i>	2023	<i>2022</i>
Fund balances, beginning of year	309,701	-	(20,865)	3,350	292,186	286,977
Excess (deficiency) of revenue over expenses	58,841	(756)	(47,941)	(4,219)	5,925	5,209
Interfund transfer (Note 7)	(56,007)	756	40,941	14,310	-	-
Fund balances, end of year	312,535	-	(27,865)	13,441	298,111	292,186

The accompanying notes are an integral part of these financial statements

United Way Estevan
Statement of Cash Flows
For the year ended December 31, 2023

	<i>Operating Fund</i>	<i>Projects Fund</i>	<i>Community Impact Fund</i>	<i>Capital Assets Fund</i>	2023	2022
Cash provided by (used for) the following activities						
Operating						
Excess (deficiency) of revenue over expenses	58,841	(756)	(47,941)	(4,219)	5,925	5,209
Amortization	-	-	-	3,359	3,359	837
Loss on disposal of capital assets	-	-	-	860	860	-
	58,841	(756)	(47,941)	-	10,144	6,046
Changes in working capital accounts						
Accounts receivable	3,494	-	-	-	3,494	(394)
Goods and Service Tax receivable	(425)	-	-	-	(425)	295
Accounts payable	1,040	-	-	-	1,040	(13)
Membership allocation payable	12,500	-	7,000	-	19,500	(23,000)
Deferred contributions	15,000	-	-	-	15,000	-
	90,450	(756)	(40,941)	-	48,753	(17,066)
Investing						
Purchase of marketable securities	(416,080)	-	-	-	(416,080)	(56,662)
Proceeds on disposal of marketable securities	450,000	-	-	-	450,000	-
Purchase of capital assets	-	-	-	(14,310)	(14,310)	-
Increase (decrease) in cash resources	124,370	(756)	(40,941)	(14,310)	68,363	(73,728)
Cash resources, beginning of year	23,908	-	135	-	24,043	97,771
Interfund adjustments	(56,007)	756	40,941	14,310	-	-
Cash resources, end of year	92,271	-	135	-	92,406	24,043

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

United Way Estevan (the "Charity") is incorporated under the Non-Profit Corporation Act of Saskatchewan. The Charity is registered as a not-for-profit organization under the Income Tax Act (the "Act") and as such is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, the Organization must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

The Charity's purpose is to provide local member agencies with funding.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Fund accounting

The Charity follows the deferral method of accounting for contributions and reports using fund accounting, and maintains four funds: Operating Fund, Capital Assets Fund, Projects Fund and Community Impact Fund.

The Operating Fund reports the Charity's fundraising and administrative activities.

The Capital Assets Fund reports the Charity's capital assets and related expenses.

The Projects Fund reports the Charity's assets, liabilities, revenues and expenses of any special projects.

The Community Impact Fund reports the Charity's assets, liabilities, revenue and expenses related to the involvement in community projects as directed by its Board of Directors.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with original maturities of three months or less.

Marketable securities

Marketable securities are measured at amortized cost, less impairment (if any).

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Automotive	20 %
Equipment	20 %
Office equipment	20 %
Furniture and fixtures	20 %

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Charity determines that a long-lived asset no longer has any long-term service potential to the charity, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

The Charity uses the deferral method of accounting for contributions and reports on a fund accounting basis. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the operating fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recorded when it is earned, per Board approval this is recorded in the Operating and Community Impact funds..

Pledges receivable are recognized as revenue of the Operating Fund as at December 31, 2023. Pledges receivable have been written down to their estimated net realizable value.

Pledges are recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Investment income is recorded when it is earned, per Board approval this is recorded in the Operating and Community Impact funds.

Contributed services

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services are used in the normal course of the Charity's operations and would otherwise have been purchased. Services provided include volunteer hours which the fair value is not reasonably determined therefore has not been recorded.

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 amounts of assets and liabilities and 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenue over expenses in the periods in which they become known.

Allocation of expenses

The Charity engages in one major donation drive and administers funds to different organizations. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The Charity also incurs a number of general support expenses that are common to the administration of the Charity and each of its programs.

The Charity allocates certain of its general support expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. The ratios used to allocate general management and administration expenses are 67% to campaign expenses and 33% to program expenses.

Financial instruments

The Charity recognizes financial instruments when the Charity becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Charity may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Charity has not made such an election during the year.

2. Significant accounting policies *(Continued from previous page)*

The Charity subsequently measures financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses.

Financial asset impairment

The Charity assesses impairment of all its financial assets measured at cost or amortized cost. The Charity groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Charity determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Charity reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

The Charity reduces the carrying amount of any impaired financial assets to the highest of: the undiscounted cash flows expected to be generated by holding the asset, the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Charity reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

3. Marketable securities

At December 31, 2023 the Charity hold various flexible term deposits earning interest ranging between 3.20% - 5.20% (2022 - 1.35% - 4.30%), maturing February 2024 and October 2024 (2022 - February 2023 and October 2023).

4. Accounts receivable

At December 31, 2023, accounts receivable includes outstanding pledges and bequests of \$69,628 (2022 – \$73,122), all of which is reported as current revenue. The balance in accounts receivable represents pledges that have not yet been received, but the Charity believes the amount to be received is reasonably estimated and that ultimate collection is reasonably assured.

5. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Automotive	14,310	2,862	11,448	860
Equipment	5,666	5,286	380	475
Office equipment	18,395	16,804	1,591	1,988
Furniture and fixtures	2,229	2,207	22	27
	40,600	27,159	13,441	3,350

United Way Estevan
Notes to the Financial Statements
For the year ended December 31, 2023

6. Deferred contributions

Deferred contributions consist of unspent contribution received from the South Saskatchewan Community Foundation, externally restricted for 2024 fiscal year. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

7. Interfund transfers

Interfund transfers have been approved by the Board of Directors. Transfers are based upon standing board orders whereby 50% of the investment income and board allocation are transferred to the Community Impact Fund. This has resulted in the allocation to the Community Impact Fund totaling \$6,666 (2022 - \$1,340). During the year a total of \$40,941 (2022, - \$53,065) was transferred to the Community Impact Fund, \$756 (2022 - \$2,179) to the Projects Fund, and \$14,310 (2022 - \$nil) to the Capital Asset Fund.

8. Revenue

Revenue is comprised of the following balances:

	2023	2022
Donations		
Corporate	134,862	201,002
Employee	108,363	67,713
Small business	40,040	24,976
Educational	9,676	5,060
Non-profit	9,853	8,463
Individuals	66,080	58,735
Transfers - other United Way Campaigns	4,365	8,461
Other campaign revenue	8,464	7,591
Designated donations	250	4,657
	381,953	386,658
Special Projects		
Special Projects - United Way Community Services Recovery Fund (CSRF)	123,918	-

United Way Estevan
Notes to the Financial Statements
For the year ended December 31, 2023

9. Campaign expenses

Campaign expenses consist of the following balances:

	2023	2022
Administrative services	23,358	26,258
Advertising - newspaper	1,860	1,887
Advertising - radio	1,950	2,790
Bank charges	495	589
Signs	1,459	-
Insurance and licenses	1,482	1,261
Memberships, dues and fees	2,726	2,709
Office supplies	789	1,690
Supplies	176	134
Professional services	11,240	9,519
Rent	2,144	2,010
Repairs and maintenance	197	-
Telephone	849	685
	48,725	49,532

10. Program expenses - general

General program expenses consist of the following balances:

	2023	2022
Administrative services	11,506	12,933
Goods and Services Tax	389	832
Insurance and licenses	730	621
Memberships, dues and fees	1,342	1,334
Bank charges	244	290
Rent	1,056	990
Office supplies	1,122	971
Professional services	5,536	4,689
Website	1,597	732
Postage	460	503
Telephone	418	337
	24,400	24,232

United Way Estevan
Notes to the Financial Statements
For the year ended December 31, 2023

11. Program expenses - member allocations

Member allocations expenses consist of the following balances:

	2023	2022
Canadian National Institute for the Blind	10,000	10,000
Canadian Red Cross Society	20,000	20,000
Creighton Lodge	30,000	30,000
Envision Counselling and Support Centre Inc.	45,000	35,000
Estevan Diversified Services Inc.	25,000	35,000
Estevan Family Resource Centre	30,000	25,000
Estevan Regional Nursing Home Auxiliary	30,000	25,000
Estevan Area Literacy Group	30,000	25,000
Saskatchewan Abilities Council	10,000	7,500
Spinal Cord Injury Saskatchewan Inc.	-	5,000
St. Joseph's Health Care Auxiliary	20,000	20,000
	250,000	237,500

12. Special project fund expenses

Special project expenses consist of the following balances:

	2023	2022
Special Projects - United Way Emergency Community Support Fund (ECSF)		
Trinity Lutheran Church	68,500	-
Southeast College Education Foundation Inc.	51,320	-
	119,820	-
Other Special Fund Expenses		
Admin allocation	4,099	-
Conference and meetings	755	2,179
	124,674	2,179

13. Community impact fund

The Community impact fund expenses consists of the following balances:

	2023	2022
ECS Student tin Need Food Program	4,000	-
ECS Challenge Day	5,000	-
Hillcrest Breakfast	5,000	30,000
Estevan Public Youth Centre Inc.	30,000	32,000
Day of Caring	1,107	1,405
Scholarship	1,000	1,000
Hi-Risers Association	3,500	-
Royal Canadian Legion	5,000	-
	54,607	64,405

14. Financial instruments

The Charity, as part of its operations, carries a number of financial instruments. It is management's opinion that the Charity is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that the Charity will encounter difficulty in meeting obligations associated with financial liabilities. The Charity's exposure to liquidity risk is dependent on the collection of accounts, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

Credit concentration

As at December 31, 2023, one donor (2022 - two) accounted for 76% (2022 - 90%) of the accounts receivable. The Charity believes that there is no unusual exposure associated with the collection of these receivables. The Charity performs regular credit assessments of its donors and provides allowances for potentially uncollectible accounts receivable.

15. Commitments

The Organization has entered into a rental agreement for office space with monthly payments of \$350, ending October 2026.