

UNITED WAY OF PERTH - HURON
FINANCIAL STATEMENTS
MARCH 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Members of
United Way of Perth - Huron
Stratford, Ontario

Qualified Opinion

We have audited the financial statements of **United Way of Perth - Huron**, which comprise the balance sheet as at **March 31, 2025** and the statements of operations, 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of **United Way of Perth - Huron** as at **March 31, 2025** 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

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 **United Way of Perth - Huron** 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 opinion.

In common with many not-for-profit organizations, the organization derives cash revenue, 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 organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures and cash flows from operations for the years ended March 31, 2025 and 2024, current assets as at March 31, 2025 and 2024 and fund balances as at March 31 for both the 2025 and 2024 year ends. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

INDEPENDENT AUDITORS' REPORT - continued

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 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, 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

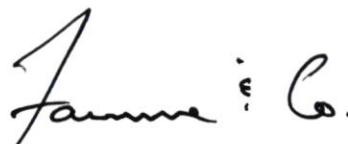
Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 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:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of the entity'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.

INDEPENDENT AUDITORS' REPORT - continued

- (e) 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.



Professional Corporation
Chartered Professional Accountants
*Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario*

Stratford, Ontario
June 10, 2025

United Way of Perth - Huron
Balance Sheet
As at March 31, 2025

ASSETS

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Current Assets						
Cash	\$ 1,017,593	\$ -	\$ -	\$ -	\$ 1,017,593	\$ 1,176,384
Funds held in trust (Note 11)	5,686	-	-	-	5,686	5,686
Short-term investments and accrued interest (Note 4)	22,804	-	-	118,193	140,997	136,376
Pledges receivable (Note 5)	1,092,628	-	-	-	1,092,628	994,795
HST receivable	21,129	-	-	-	21,129	19,619
Prepaid expenses and accounts receivable	164,673	-	-	-	164,673	39,656
Interfund balances (Note 6)	<u>(120,280)</u>	<u>82,589</u>	<u>(324,296)</u>	<u>361,987</u>	<u>-</u>	<u>-</u>
	<u>2,204,233</u>	<u>82,589</u>	<u>(324,296)</u>	<u>480,180</u>	<u>2,442,706</u>	<u>2,372,516</u>
Property, Plant, and Equipment - <i>at cost</i> (Schedule of Property, Plant, and Equipment and Amortization)	<u>721,701</u>	<u>-</u>	<u>396,141</u>	<u>-</u>	<u>1,117,842</u>	<u>392,896</u>
Other Assets						
Land held for development (Note 14)	361,717	-	-	-	361,717	352,107
Real estate under development (Note 15)	<u>7,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,710</u>	<u>2,829</u>
	<u>369,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>369,427</u>	<u>354,936</u>
	<u>\$ 3,295,361</u>	<u>\$ 82,589</u>	<u>\$ 71,845</u>	<u>\$ 480,180</u>	<u>\$ 3,929,975</u>	<u>\$ 3,120,348</u>

Approved on Behalf of the Board:

Director

Director

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Balance Sheet
As at March 31, 2025

LIABILITIES

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Current Liabilities						
Allocations and grants payable (Note 9)	\$ 1,116,222	\$ -	\$ -	\$ -	\$ 1,116,222	\$ 1,072,985
Liability for designated pledges	22,957	-	-	-	22,957	12,560
Accounts payable and accrued liabilities	157,191	-	-	-	157,191	146,266
Funds held in trust (Note 11)	5,686	-	-	-	5,686	5,686
Deferred revenue (Note 8)	<u>125,180</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,180</u>	<u>217,079</u>
	<u>1,427,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,427,236</u>	<u>1,454,576</u>
Long-Term Liabilities						
Promissory note payable						
Municipality of North Perth,						
2.00% interest, due June 2049,						
payable monthly once	800,000	-	-	-	800,000	-
50% of property is tenanted						
Deferred revenue (Note 8)	<u>84,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,787</u>	<u>28,445</u>
	<u>884,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>884,787</u>	<u>28,445</u>
	<u>2,312,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,312,023</u>	<u>1,483,021</u>
FUND BALANCES						
Unrestricted	571,340	-	71,845	-	644,583	652,527
Restricted (Notes 6 and 12)	<u>411,998</u>	<u>82,589</u>	<u>-</u>	<u>480,180</u>	<u>973,369</u>	<u>984,800</u>
	<u>983,338</u>	<u>82,589</u>	<u>71,845</u>	<u>480,180</u>	<u>1,617,952</u>	<u>1,637,327</u>
	<u>\$ 3,295,361</u>	<u>\$ 82,589</u>	<u>\$ 71,845</u>	<u>\$ 480,180</u>	<u>\$ 3,929,975</u>	<u>\$ 3,120,348</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Fund Balances
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Balance - beginning of year - unrestricted	\$ 567,915	\$ -	\$ 84,612	\$ -	\$ 652,527	\$ 727,333
Interfund transfers (Note 6)	<u>9,962</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,962</u>	<u>(6,733)</u>
	577,877	-	84,612	-	662,489	720,600
Excess of revenue over expenditures (expenditures over revenue) for the year	<u>(6,537)</u>	<u>-</u>	<u>(12,767)</u>	<u>1,398</u>	<u>(17,906)</u>	<u>(68,073)</u>
Balance - end of year - unrestricted	<u>571,340</u>	<u>-</u>	<u>71,845</u>	<u>1,398</u>	<u>644,583</u>	<u>652,527</u>
Balance - beginning of year - restricted	421,960	119,595	-	443,245	984,800	1,030,573
Interfund transfers (Note 6)	<u>(9,962)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,962)</u>	<u>6,733</u>
	411,998	119,595	-	443,245	974,838	1,037,306
Excess of revenue over expenditures (expenditures over revenue) for the year	<u>-</u>	<u>(37,006)</u>	<u>-</u>	<u>35,537</u>	<u>(1,469)</u>	<u>(52,506)</u>
Balance - end of year - restricted	<u>411,998</u>	<u>82,589</u>	<u>-</u>	<u>478,782</u>	<u>973,369</u>	<u>984,800</u>
Balance - end of year - combined	<u>\$ 983,338</u>	<u>\$ 82,589</u>	<u>\$ 71,845</u>	<u>\$ 480,180</u>	<u>\$ 1,617,952</u>	<u>\$ 1,637,327</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue						
Campaign	\$ 2,416,648	\$ 38,544	\$ -	\$ -	\$ 2,455,192	\$ 2,364,045
Designations in	15,955	-	-	-	15,955	16,698
Memorials and bequests	12,923	3,231	12,923	36,935	66,012	33,639
211 funding	32,590	-	-	-	32,590	33,310
Interest	19,356	-	-	-	19,356	29,069
Community Services Recovery Fund (Note 17)	-	-	-	-	-	424,288
Other income	37,540	-	-	-	37,540	20,883
Fundraising events	114,452	-	-	-	114,452	101,133
United Centre (Schedule 1)	35,700	-	-	-	35,700	44,637
Social Research and Planning Council (Schedule 2)	24,942	-	-	-	24,942	124,795
United Housing (Schedule 3)	327,402	-	-	-	327,402	164,538
Capital Campaign Fund (Schedule 4)	44,661	-	-	-	44,661	4,070
	<u>3,082,169</u>	<u>41,775</u>	<u>12,923</u>	<u>36,935</u>	<u>3,173,802</u>	<u>3,361,105</u>
Less: Pledge gain (loss)	(29,723)	-	-	-	(29,723)	(59,972)
Designations to:						
Other United Ways	<u>(12,019)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,019)</u>	<u>(11,070)</u>
Net revenue before direct fundraising and program expenditures	<u>3,040,427</u>	<u>41,775</u>	<u>12,923</u>	<u>36,935</u>	<u>3,132,060</u>	<u>3,290,063</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue - continued						
Net revenue before direct fundraising and program expenditures (carried forward)	\$ <u>3,040,427</u>	\$ <u>41,775</u>	\$ <u>12,923</u>	\$ <u>36,935</u>	\$ <u>3,132,060</u>	\$ <u>3,290,063</u>
Direct Fundraising Expenditures						
Advertising	8,446	-	-	-	8,446	10,633
Fundraising supplies	30,700	-	-	-	30,700	24,326
Meetings, mileage and conferences	7,467	-	-	-	7,467	7,095
Fundraising events	26,519	-	-	-	26,519	41,636
Other	<u>23,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,152</u>	<u>16,309</u>
	96,284	-	-	-	96,284	99,999
Allocation of administrative expenses including salaries and wages (Schedule 5)	<u>340,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>340,927</u>	<u>317,032</u>
	<u>437,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>437,211</u>	<u>417,031</u>
Net revenue before direct program expenditures	<u>2,603,216</u>	<u>41,775</u>	<u>12,923</u>	<u>36,935</u>	<u>2,694,849</u>	<u>2,873,032</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue - continued						
Net revenue before direct program expenditures (carried forward)	\$ <u>2,603,216</u>	\$ <u>41,775</u>	\$ <u>12,923</u>	\$ <u>36,935</u>	\$ <u>2,694,849</u>	\$ <u>2,873,032</u>
Direct Program Expenditures						
Allocations and grants (Note 9)	1,142,168	-	-	-	1,142,168	1,039,038
Programs, designations and youth grants (Note 10)	423,646	-	-	-	423,646	845,840
United Way of Canada dues	23,147	-	-	-	23,147	22,804
United Centre (Schedule 1)	74,664	-	25,690	-	100,354	110,161
Social Research and Planning Council (Schedule 2)	147,490	-	-	-	147,490	210,842
United Housing (Schedule 3)	333,972	-	-	-	333,972	194,883
Urgent Needs allocations	-	78,781	-	-	78,781	133,875
Capital Campaign Fund (Schedule 4)	-	-	-	-	-	4,070
Allocation of administrative expenses including salaries and wages (Schedule 5)	<u>464,666</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>464,666</u>	<u>432,098</u>
Total direct expenditures	<u>2,609,753</u>	<u>78,781</u>	<u>25,690</u>	<u>-</u>	<u>2,714,224</u>	<u>2,993,611</u>
Excess of revenue over expenditures (expenditures over revenue) for the year	\$ <u>(6,537)</u>	\$ <u>(37,006)</u>	\$ <u>(12,767)</u>	\$ <u>36,935</u>	\$ <u>(19,375)</u>	\$ <u>(120,579)</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations - United Centre (Schedule 1)
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue						
Rental income	\$ 27,390	\$ -	-	\$ -	\$ 27,390	\$ 33,100
Cost recoveries	6,541	-	-	-	6,541	8,481
Interest and other	<u>1,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,769</u>	<u>3,056</u>
	<u>35,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,700</u>	<u>44,637</u>
Expenditures						
Amortization of property, plant and equipment	-	-	25,690	-	25,690	22,170
Utilities	8,284	-	-	-	8,284	7,800
Repairs and maintenance	35,853	-	-	-	35,853	46,525
Insurance	5,068	-	-	-	5,068	4,789
Interest and bank charges	86	-	-	-	86	118
Property taxes	6,240	-	-	-	6,240	5,794
Salaries, wages, benefits and training	7,343	-	-	-	7,343	13,368
Recoverable office expenses and other	<u>11,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,790</u>	<u>9,597</u>
	<u>74,664</u>	<u>-</u>	<u>25,690</u>	<u>-</u>	<u>100,354</u>	<u>110,161</u>
Net expenditures over revenue for the year	<u>\$ (38,964)</u>	<u>\$ -</u>	<u>\$ (25,690)</u>	<u>\$ -</u>	<u>\$ (64,654)</u>	<u>\$ (65,524)</u>

Purpose of the United Centre

Commencing in 2003, with the acquisition of real estate at 32 Erie Street, Stratford, Ontario, the United Centre provides subsidized rent and/or shared services to start-up and other not-for-profit organizations to assist them in their development. In addition, owning the United Centre reduces operating costs for the United Way of Perth - Huron.

During the year, \$ 28,935 (2024 - \$ 25,702) was spent on property, plant and equipment purchases.

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations - Social Research and Planning Council (Schedule 2)
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue						
Grants	\$ 24,942	\$ -	\$ -	\$ -	\$ 24,942	\$ 124,600
Interest and other	-	-	-	-	-	195
	<u>24,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,942</u>	<u>124,795</u>
Expenditures						
Salaries and benefits	123,198	-	-	-	123,198	203,084
Consulting - data analysis, workshops	17,722	-	-	-	17,722	3,167
Meetings and travel	1,376	-	-	-	1,376	1,133
myPerthHuron (data platform)	457	-	-	-	457	430
Miscellaneous	2,771	-	-	-	2,771	3,028
Tax clinic	1,966	-	-	-	1,966	-
	<u>147,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,490</u>	<u>210,842</u>
Net expenditures over revenue for the year	\$ <u>(122,548)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(122,548)</u>	\$ <u>(86,047)</u>

Purpose of the Social Research and Planning Council

The Social Research and Planning Council (SRPC) identifies local issues and trends, prioritizes local research possibilities and collects, collates and disseminates relevant community reports. SRPC utilizes this community research and information to address community planning initiatives. This may include, but is not limited to, initiating, facilitating and participating in local planning initiatives as appropriate.

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations - United Housing (Schedule 3)
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue						
Donations	\$ 264,807	\$ -	\$ -	\$ -	\$ 264,807	\$ 74,608
Grants	27,556	-	-	-	27,556	89,930
Rental income	34,507	-	-	-	34,507	-
Interest	532	-	-	-	532	-
	<u>327,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327,402</u>	<u>164,538</u>
Expenditures						
Amortization of property, plant and equipment	14,379	-	-	-	14,379	-
Salaries and benefits	206,419	-	-	-	206,419	124,505
Consultants	3,174	-	-	-	3,174	59,628
Bad debt	2,819	-	-	-	2,819	-
Meetings and travel	4,120	-	-	-	4,120	471
Professional fees	1,559	-	-	-	1,559	7,426
Office and sundry	6,301	-	-	-	6,301	2,046
Insurance	831	-	-	-	831	807
Training	37,364	-	-	-	37,364	-
Expenses - 190 Main St, Listowel						
Utilities	1,306	-	-	-	1,306	-
Repairs and maintenace	23,375	-	-	-	23,375	-
Insurance	20,483	-	-	-	20,483	-
Property taxes	11,842	-	-	-	11,842	-
	<u>333,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333,972</u>	<u>194,883</u>
Net expenditures over revenue for the year	\$ <u>(6,570)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(6,570)</u>	\$ <u>(30,345)</u>

Purpose of United Housing

United Housing will build and operate housing for a wide range of people including those experiencing homelessness, those with lower income, and those able to pay market rates, creating sustainable developments where people of all backgrounds live together.

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Operations - Capital Campaign Fund (Schedule 4)
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Revenue						
Donations	\$ 44,661	\$ -	\$ -	\$ -	\$ 44,661	\$ 4,070
Expenditures						
Connection centre renovations	-	-	-	-	-	4,070
Net revenue over expenditures for the year	<u>\$ 44,661</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,661</u>	<u>\$ -</u>

Purpose of the Capital Campaign Fund

Launched in 2019 in response to the community need to improve service provision, this fund facilitates small capital campaigns contributions to various new services.

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Administrative Expenditures (Schedule 5)
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Expenditures						
Salaries, wages and benefits	\$ 713,645	\$ -	\$ -	\$ -	\$ 713,645	\$ 676,805
Training	31,606	-	-	-	31,606	24,630
Office supplies and postage	2,561	-	-	-	2,561	1,573
Technology	16,929	-	-	-	16,929	15,270
Professional fees	12,858	-	-	-	12,858	13,500
Service charges, meetings, insurance and other	<u>27,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,994</u>	<u>17,352</u>
	805,593	-	-	-	805,593	749,130
Allocated to direct fundraising expenditures	(340,927)	-	-	-	(340,927)	(317,032)
Allocated to direct program expenditures	<u>(464,666)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(464,666)</u>	<u>(432,098)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Cash Flows
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Cash Provided By (Used In):						
Operating Activities						
Excess of revenue over expenditures (expenditures over revenue) for the year	\$ (6,537)	\$ (37,006)	\$ (12,767)	\$ 36,935	\$ (19,375)	\$ (120,579)
Items not requiring cash						
Amortization	14,379	-	25,690	-	40,069	22,170
Decrease (increase) in pledges receivable	(97,833)	-	-	-	(97,833)	108,806
Decrease (increase) in prepaid expenses and accounts and HST receivable	(126,527)	-	-	-	(126,527)	(56,543)
Change in interfund balances	12,852	37,006	(12,923)	(36,935)	-	-
Increase (decrease) in allocations payable and designated pledges	53,634	-	-	-	53,634	(95,473)
Increase (decrease) in accounts payable and accrued liabilities	10,925	-	-	-	10,925	(12,760)
Increase (decrease) in deferred revenue	(35,557)	-	-	-	(35,557)	(43,612)
	<u>(174,664)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(174,664)</u>	<u>(197,991)</u>
Financing Activities						
Proceeds from promissory note payable	800,000	-	-	-	800,000	-
	<u>625,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>625,336</u>	<u>(197,991)</u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Statement of Cash Flows
For the year ended March 31, 2025

	General Fund	Urgent Needs Fund	Capital Asset Fund	Endowment Fund	Total 2025	Total 2024
Balance carried forward	\$ <u>625,336</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>625,336</u>	\$ <u>(197,991)</u>
Investing Activities						
Purchases of property, plant and equipment	(762,810)	-	-	-	(762,810)	(25,702)
Purchases of other assets	<u>(16,696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,696)</u>	<u>(28,445)</u>
	<u>(779,506)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(779,506)</u>	<u>(54,147)</u>
Increase (decrease) in cash and cash equivalents	(154,170)	-	-	-	(154,170)	(252,138)
Cash and cash equivalents - beginning of year	<u>1,194,567</u>	<u>-</u>	<u>-</u>	<u>118,193</u>	<u>1,312,760</u>	<u>1,564,898</u>
Cash and cash equivalents - end of year	\$ <u><u>1,040,397</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>118,193</u></u>	\$ <u><u>1,158,590</u></u>	\$ <u><u>1,312,760</u></u>

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents comprise the following balance sheet amounts:

Cash	1,017,593	-	-	-	1,017,593	1,176,384
Short-term investments	<u>22,804</u>	<u>-</u>	<u>-</u>	<u>118,193</u>	<u>140,997</u>	<u>136,376</u>
	\$ <u><u>1,040,397</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>118,193</u></u>	\$ <u><u>1,158,590</u></u>	\$ <u><u>1,312,760</u></u>

(See Accompanying Notes to the Financial Statements)

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

1. Purpose of the Organization

The United Way of Perth - Huron is a not-for-profit organization and a registered charity under the Income Tax Act and, as such, is not subject to income tax and may issue income tax receipts to donors. United Way of Perth - Huron's mission is to improve lives and build community by engaging individuals and mobilizing collective action with the vision of a better life for everyone in our communities.

2. Fund Accounting

The organization uses fund accounting. The purpose of each fund is as follows:

- (a) General Fund - Operating
To administer program delivery and administrative activities. This fund reports unrestricted resources except for internal restrictions as outlined in Note 12.
- (b) Urgent Needs Fund
To meet urgent needs of low-income individuals and to meet emergent needs of organizations between allocation cycles. This fund is available by special application when a need becomes significant.
- (c) Capital Asset Fund
To report the assets, liabilities, revenues and expenditures related to the organization's property, plant and equipment.
- (d) Endowment Fund
To report resources contributed under endowment restriction.

3. Summary of Significant Accounting Policies

These financial statements have been prepared from information available within the guidelines of Canadian accounting standards for not-for-profit organizations summarized below:

- (a) Revenue Recognition
Pledges made by donors are included in income in the year in which the pledge is made. An allowance is made against prior year pledges based on estimated collectibility. After two years, uncollected pledges receivable are written off.

Government grants and subsidies are recognized as revenue when the issuer has confirmed that the funding criteria has been met and the amount is reasonably determinable.

Restricted contributions for the purchase of assets that will not be amortized and for which a restricted fund does not exist are recognized as direct increases to the restricted surplus in the General Fund.

Restricted contributions for the purchase of property, plant and equipment that will be amortized is deferred and recognized as revenue on the same basis as the amortization expense related to the acquired assets.
- (b) Use of Estimates
Preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires the Board to make estimates and assumptions that could affect amounts reported as assets, liabilities, revenues and expenses. Due to measurement uncertainty, results could differ from those estimates.

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

3. Summary of Significant Accounting Policies (continued)

(c) Financial Instruments

Financial instruments are items which are cash, rights to receive cash or obligations to pay cash at a future date. Unless otherwise noted, it is the Board's opinion that the organization is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these instruments approximate their carrying value.

(d) Amortization

Amortization of property, plant and equipment is calculated using the declining-balance method at the rates reflected in the accompanying schedule of property, plant and equipment and amortization.

(e) Contributed Services

Volunteers contribute significant hours to the organization annually. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(f) Investments

Investments in GIC's are reported at cost plus accrued interest which is representative of fair market value.

4. Short-Term Investments and Accrued Interest

The organization invests endowment contributions in guaranteed investment certificates. Interest on the investments is receivable at maturity. The interest earned on the investments is receivable by the general fund and when received is used in operations. These investment holdings at year end are as follows:

	Total 2025	Total 2024
Short-Term Investments		
Guaranteed Investment Certificates at Market Value	\$ <u>140,997</u>	\$ <u>136,376</u>

5. Pledges Receivable

Pledges receivable are comprised of the following:

	Current Year Campaign	Prior Year Campaign	Total 2025	Total 2024
Pledges outstanding	\$ 1,188,836	\$ 26,967	\$ 1,215,803	\$ 1,098,662
Allowance for collection losses (Note 3(a))	<u>96,208</u>	<u>26,967</u>	<u>123,175</u>	<u>153,867</u>
	<u>\$ 1,092,628</u>	<u>\$ -</u>	<u>\$ 1,092,628</u>	<u>\$ 944,795</u>

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

6. Interfund Balances

In fiscal year 2003, the Endowment Fund advanced funds to the Capital Fund to facilitate the purchase of "The United Centre" at 32-36 Erie Street, Stratford, Ontario. The repayable portion is \$ 209,507 (2024 - \$ 209,507) and has no specific repayment terms. During the year, the Endowment Fund received donations of \$ 36,935 (2024 - \$ 25,229). The total amount of donations payable to the Endowment Fund as at March 31, 2025 is \$ 36,935 (2024 - \$ 25,229). Part of the capital portion of the Endowment Fund is restricted and as at March 31, 2025 was \$ 478,782 (2024 - \$ 443,245). Part of the capital portion of the Endowment Fund, is received from small donations and is unrestricted and as at March 31, 2025 was \$ 1,398 (2024 - \$ nil). Income generated on the capital may be used towards operating or capital expenditures at the discretion of the board of directors and, therefore, is shown as income in the General Fund.

The organization transferred \$ nil (2024 - \$ 6,733) from the General Fund to the Urgent Needs Fund during the year. Additionally, \$ nil (2024 - \$ nil) of the March 31, 2025 General Fund surplus was transferred to the Capital Asset Fund. Finally, \$ 9,962 (2024 - \$ nil) of the March 31, 2025 restricted fund balance related to the Capital Campaign Fund was transferred to the unrestricted fund balance.

7. Line of Credit

The organization has a line of credit facility with a limit of \$ 150,000, which is secured by the assets, accounts receivable and inventory of United Way Perth - Huron. The line of credit bears interest at 1% above the prime interest rate. As at March 31, 2025, the balance of this facility was \$ nil (2024 - \$ nil).

8. Deferred Revenue

The deferred revenue represents funding received for specific expenses that have not yet been incurred. Deferred revenue as at March 31, 2025 consists of the following:

	2025	2024
Short-term deferred revenue		
United Housing	\$ 39,230	\$ 91,405
General Fund	82,468	121,320
Social Research and Planning Council	<u>3,482</u>	<u>4,354</u>
Total	<u>\$ 125,180</u>	<u>\$ 217,079</u>
Long-term deferred revenue		
United Housing	<u>\$ 84,787</u>	<u>\$ 28,445</u>

Long-term deferred revenue relates to the funding received for capital costs related to the various United Housing building projects. These projects are expected to last for more than a year. As such, these projects are recognized as long-term deferred revenue.

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

9. Allocations and Grants

As part of its mandate, the organization will disburse funds to Supported Partners as follows:

Supported Partners

	2025	2024
Impact Funding		
Big Brothers Big Sisters Listowel	\$ 18,000	\$ 18,000
Big Brothers Big Sisters South Bruce, North Huron	25,500	25,500
Big Brothers Big Sisters South Huron	17,305	17,305
Canadian Mental Health Association Huron Perth	229,509	183,016
Emily Murphy Centre	40,000	40,000
Family Services Perth-Huron	119,315	119,315
Huron County	52,839	52,839
Huron County Food Bank Distribution Centre	49,600	49,600
Huron Safe Homes for Youth	73,257	73,257
Huron Turning Point	47,000	47,000
Huron Women's Shelter	29,000	29,000
John Howard Society of London & District	32,572	32,572
Living Wage Canada (formerly Ontario Living Wage Network)	7,500	7,500
Local Community Food Centre	86,000	86,000
Municipality of Huron East	2,000	-
Municipality of North Perth	10,000	14,000
Stratford/Perth Shelterlink	75,000	75,000
Stratford Pride Community Centre	41,120	41,120
The Community Table	70,152	61,750
Town of St. Marys	25,000	30,000
United Housing	25,000	70,000
YMCA of Southwestern Ontario (Goderich)	40,363	40,363
YMCA of Three Rivers (formerly Stratford-Perth Family Y.M.C.A.)	21,136	20,560
Total Impact Funding Allocations	\$ 1,137,168	\$ 1,133,697

The above amount will be paid out in the next fiscal year. Of the amount above, \$ 1,142,168 (2024 - \$ 1,039,038) has been expensed as Allocations in the Statement of Operations. During the year, \$ nil (2024 - \$ 24,659) was returned to the organization/not paid out to the supported partner as the supported partner did not require all of the funds to complete the project.

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

10. Programs, Designations and Youth Grants

Programs, designations and youth grants is comprised of the following:

	2025	2024
Salaries, wages and benefits	\$ 350,351	\$ 375,238
Community Services Recovery Fund (Note 17)	37	430,328
Designations out	36,173	8,488
Youth grants (recovered)		(255)
211 Ontario	19,062	17,152
Other	<u>18,023</u>	<u>14,889</u>
Total	<u>\$ 423,646</u>	<u>\$ 845,840</u>

11. Funds Held in Trust

Funds held in trust were comprised of the following:

	2025	2024
Mental Health & Addiction Promotional Fund	\$ 5,108	\$ 5,108
Volunteers in Perth	<u>578</u>	<u>578</u>
	<u>\$ 5,686</u>	<u>\$ 5,686</u>

12. Restricted Fund Balance

The surpluses generated by the Urgent Needs Fund and the Capital Campaign Fund and the land held for development must be used for specific purposes and hence their use is restricted. As at March 31, 2025, the general restricted fund balance consisted of the following:

	2025	2024
General Fund	\$ 87,000	\$ 87,000
Capital Campaign Fund	-	9,962
Land Held For Development	<u>324,998</u>	<u>324,998</u>
Total General Fund	411,998	421,960
Endowment Fund	478,782	443,245
Urgent Needs Fund	<u>82,589</u>	<u>119,595</u>
Total Restricted Fund Balance	<u>\$ 973,369</u>	<u>\$ 984,800</u>

United Way of Perth - Huron
Notes to the Financial Statements
For the year ended March 31, 2025

13. Comparative Figures

Certain of the figures on the 2024 balance sheet and statement of fund balances and statement of operations have been reclassified to conform to the 2025 financial statement presentation.

14. Other Assets - Land Held for Development

On June 14, 2022 the organization received title, subject to certain conditions, of a parcel of land in the Municipality of North Perth for the nominal consideration of \$ 2. The conditions set out in the Agreement of Purchase and Sale includes the stipulation that the property shall be used as intended or the Municipality of North Perth has the right to re-acquire the property. The property was appraised and the fair value was determined to be \$ 325,000. The nature of the acquired property represents land, its ultimate use is externally restricted and it is not directly related to the administrative operations of the organization. As such the transaction does not meet the requirements of the organization's existing restricted funds. Accordingly, the difference between the consideration paid for the property and it's estimated fair value is considered a restricted contribution and the property has been recognized at it's fair value in the General Fund - Operating as a direct increase to the fund balance.

In addition to the contributed land value of \$ 325,000, legal and planning costs of \$ 9,610 (2024 - \$ 26,240) were incurred resulting in land held for development of \$ 361,717 (2024 - \$ 352,107).

15. Other Assets - Real Estate Under Development

The organization is in the process of developing two additional housing projects for United Housing. The first of these projects is Greenwood Court, Stratford, Ontario. Legal and planning costs of \$ 6,281 (2024 - \$ nil) were incurred. The second of these projects is Avondale, Stratford, Ontario. Legal and planning costs of \$ 805 (2024 - \$ nil) were incurred. \$ 2,205 of the 2024 balance is for legal and planning costs related to the building acquired in 2025, 190 Main St, Listowel, Ontario.

16. Property, Plant and Equipment - 190 Main St, Listowel

On June 24, 2024, 190 Main Street West, Listowel, Ontario was purchased with a promissory note payable from the Municipality of North Perth. The main level of the building is commercial use and is rented out to various tenants currently. The upper level of the building is currently being renovated into 10 residential affordable housing units. As the commercial use portion of the building is ready for use, that portion is being amortized. While under renovations, the residential units of the building will not be amortized.

17. Community Services Recovery Fund

The Community Services Recovery Fund is a \$ 400 million investment from the Government of Canada to support charities and non-profits as they focus on how to adapt their organizations for pandemic recovery. The Government of Canada delivered the Community Services Recovery Fund through three National Funders - Canadian Red Cross, Community Foundations of Canada, and United Way Centraide Canada. The National Funders distributed funding to eligible community service organizations, including charities, non-profits, and Indigenous governing bodies, providing services in communities across Canada.

United Way of Perth - Huron
Schedule of Property, Plant and Equipment and Amortization
For the year ended March 31, 2025

	<u>As at March 31, 2024</u>								<u>As at March 31, 2025</u>		
	Cost	Accum. Amort.	Unamort. Bal.						Cost	Accum. Amort.	Unamort. Bal.
Land - 32 Erie St, Stratford	100,000		100,000						100,000		100,000
Land - 190 Main St, Listowel				140,000					140,000		140,000
Building - 32 Erie St, Stratford	582,288	348,614	233,674				5	11,684	582,288	360,298	221,990
Building - commercial - 190 Main St, Listowel				287,576			5	14,379	287,576	14,379	273,197
Office equipment	85,184	46,372	38,812				10	3,881	85,184	50,253	34,931
Computer hardware	66,851	48,993	17,858	28,935			20	9,359	66,067	28,633	37,434
Computer software	26,153	23,601	2,552				30	766	10,596	8,810	1,786
Building under construction - 190 Main St, Listowel				308,504					308,504		308,504
	860,476	467,580	392,896	765,015				40,069	1,580,215	462,373	1,117,842