

Financial Statements of

**THE UNITED WAY OF SUDBURY
& DISTRICT / CENTRAIDE
SUDBURY ET DISTRICT**

Year ended December 31, 2010



KPMG LLP
Chartered Accountants
Claridge Executive Centre
144 Pine Street PO Box 700
Sudbury ON P3E 4R6

Telephone (705) 675-8500
Fax (705) 675-7586
In Watts (1-800) 461-3551
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Members of The United Way of Sudbury & District / Centraide Sudbury et District

We have audited the accompanying financial statements of **The United Way of Sudbury & District / Centraide Sudbury et District**, which comprise the statement of financial position as at December 31, 2010, the statements of operations and changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

In common with many charitable organizations, The United Way of Sudbury & District / Centraide Sudbury et District derives most of its revenue from the general public in the form of contributions, 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 The United Way of Sudbury & District / Centraide Sudbury et District and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenue over expenses and net assets.



Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of The United Way of Sudbury & District / Centraide Sudbury et District as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants, Licensed Public Accountants

Sudbury, Canada

April 6, 2011

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

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Year ended December 31, 2010

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THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Financial Position

December 31, 2010, with comparative figures for 2009

	2010	2009
Assets		
Current assets:		
Cash	\$ 376,050	\$ 451,576
Temporary investments	539,703	532,549
Pledges receivable - current year's campaign	1,257,943	1,419,279
Pledges receivable - prior year's campaign	64,871	78,669
Prepaid expenses	2,849	3,119
Other accounts receivable	15,140	9,124
	2,256,556	2,494,316
Capital assets:		
Computer equipment and software	122,070	122,070
Less accumulated amortization	109,236	105,855
	12,834	16,215
Restricted assets:		
Funds on deposit (note 2)	24,811	24,811
	\$ 2,294,201	\$ 2,535,342
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 40,861	\$ 23,096
Deferred revenue (note 3)	249,084	311,806
	289,945	334,902
Deferred capital contributions (note 4)	5,275	6,594
Net assets:		
Unrestricted	1,998,981	2,193,846
Commitments (note 6)		
	\$ 2,294,201	\$ 2,535,342

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Operations and Changes in Net Assets

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Revenue:		
Reported campaign revenue:	\$ 1,655,000	\$ 1,833,381
Less: Pledge loss and other timing differences	(32,685)	(64,907)
Campaign revenue for financial reporting purposes	1,620,029	1,768,474
Amortization of deferred capital contributions	1,319	1,648
Other programs	51,953	63,732
Investment income	9,637	10,837
Other income	19,369	17,890
	1,702,307	1,862,581
Expenses:		
Allocations and distribution of funds (Schedule)	1,296,869	1,428,790
Fundraising (Schedule)	309,975	329,269
Community investment (Schedule)	206,249	261,303
Other programs	65,573	69,637
Amortization of capital assets	3,381	3,983
United Way of Canada fees	15,125	20,342
	1,897,172	2,113,324
Deficiency of revenue over expenses	(194,865)	(250,743)
Net assets, beginning of year	2,193,846	2,444,589
Net assets, end of year	\$ 1,998,981	\$ 2,193,846

See accompanying notes to financial statements.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Cash Flows

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Cash provided by (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (194,865)	\$ (250,743)
Items not involving cash:		
Amortization of capital assets	3,381	3,983
Amortization of deferred capital contributions	(1,319)	(1,648)
	(192,803)	(248,408)
Change in non-cash operating working capital:		
Decrease in pledges receivable - current year's campaign	161,336	462,229
Decrease in pledges receivable - prior year's campaign	13,798	12,936
Decrease (increase) in prepaid expenses	270	(932)
Increase in other accounts receivable	(6,016)	(1,681)
Increase in accounts payable and accrued liabilities	17,765	1,645
Decrease in deferred revenue	(62,722)	(116)
	(68,372)	225,673
Investments:		
Additions to capital assets	-	(2,625)
Increase (decrease) in cash position	(68,372)	223,048
Cash position, beginning of year	1,008,936	785,888
Cash position, end of year	\$ 940,564	\$ 1,008,936
Cash position is comprised of:		
Cash	\$ 376,050	\$ 451,576
Temporary investments	539,703	532,549
Funds on deposit	24,811	24,811
	\$ 940,564	\$ 1,008,936

See accompanying notes to financial statements.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements

Year ended December 31, 2010

The Organization is incorporated without share capital under the laws of Ontario and its principal activities include the continued financial support to member charitable organizations in the City of Greater Sudbury through public contributions from annual fundraising campaigns. It is a registered charity and is therefore exempt from income tax under Section 149 of the Federal Income Tax Act.

1. Significant accounting policies:

(a) Revenue recognition:

- i) The Organization follows the deferral method for accounting for contributions.
- ii) Non-designated campaign pledges and contributions are recognized on an accrual basis, provided the amounts can be reasonably estimated and collection is reasonably assured.
- iii) Campaign contributions designated by donors are reported as deferred revenue on the statement of financial position until the amounts are paid to the designated organizations, at which time the amount of the campaign contribution is recorded as campaign revenue.
- iv) Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

(b) Capital assets:

Capital assets are recorded at cost. Amortization is provided on the declining-balance basis using the following annual rates:

Asset	Basis	Rate
Furniture and fixtures	Declining-balance	20%
Computer hardware	Declining-balance	20%
Computer software	Declining-balance	33%

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2010

1. Significant accounting policies (continued):

(c) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the carrying value of capital assets and valuation allowances for pledges receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(d) Financial instruments:

The Organization accounts for its financial assets and liabilities in accordance with Canadian generally accepted accounting principles.

The financial instruments are classified into one of five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the statement of financial position at fair value except for loans and receivables, held-for-maturity investments and other financial liabilities which are reported at amortized cost.

The Organization also complies with CICA 3861, "Financial Instruments – Disclosure and Presentation" for the presentation and disclosure of financial instruments and non-financial derivatives.

2. Funds on deposit:

	2010	2009
Funds held by the Sudbury Community Foundation:		
Tomorrow Fund	\$ 24,811	\$ 24,811

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2010

3. Deferred revenue:

Deferred revenue consists of the following amounts:

- (a) Campaign pledges from donors that are designated to non-member agencies. The pledges are deferred until such time as the funds are received from the donor and paid to the non-member agencies.
- (b) Unexpended government funding that is available to fund future expenses.

The balance of deferred revenue is as follows:

	2010	2009
Designated campaign pledges	\$ 245,016	\$ 297,787
Deferred government funding	4,068	14,019
	\$ 249,084	\$ 311,806

4. Deferred capital contributions:

Deferred capital contributions related to capital assets represent the unamortized balance of grants received for capital assets acquisitions. Details of the continuity of this balance are as follows:

	2010	2009
Balance, beginning of year	\$ 6,594	\$ 8,242
Less amounts amortized to revenue	(1,319)	(1,648)
	\$ 5,275	\$ 6,594

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2010

5. Designations to non-member agencies:

Designations to non-member agencies represent funds collected by the Organization specifically designated for charities that are not member agencies. During 2010, the designations to non-member agencies amounted to \$154,886 (2009 - \$177,622) and included amounts paid to the following organizations:

Amyotrophic Lateral Sclerosis Society of Canada	Centennial Council 6074 Charitable Trust
Access Aids - Living Well Fund	Centre de Ressources Familiales Sturgeon Falls
All Nations Church	Family Resource Centre
All Saints Anglican Church	Centre de Sante Communautaire
Alzheimer Society North Bay and District	Chapleau Pastoral Charge
Alzheimer Society Sudbury	Chapleau Pentecostal Church
Alzheimer Society Sault Ste Marie	Childhood Cancer Canada Foundation
Amnesty International Canadian Section	Children's Wish Foundation of Canada
Aplastic Anemia and Myelodysplasia Association of Canada	Christian Children's Fund of Canada
Arthritis Society of Sudbury	Children's Wish Foundation of Canada
Association des Jeunes de la Rue	Christian Children's Fund of Canada
Autism Society Ontario	Church of St Peter the Apostle
Banque D' aliments Sudbury Food Bank	Community Living Espanola
Bethel Baptist Church	Community Living Greater Sudbury
Better Beginnings Better Future	Covenant House
Big Brothers Big Sisters Association of Greater Sudbury	Crohn's and Colitis Foundation
Big Brothers Big Sisters of North Bay and District	David Suzuki Foundation
Bishop's University	Down Syndrome Association of Sudbury
Hopital Regional de Sudbury Regional Hospital	Easter Seals Society
CNIB The Canadian National Institute for the Blind	Ecole Secondaire Algonquin
Calvin Presbyterian Church - Sudbury	Elgin Street Mission (Sudbury)
Canada Post Foundation for Mental Illness & Mental Health	Elizabeth Fry Society
Canadian Breast Cancer Foundation	Engineers Without Borders
Canadian Cancer Society - North Bay	Fondation Emergence Inc
Canadian Cancer Society - Sudbury	Glad Tidings Tabernacle
Canadian Cancer Society - Oxford Community	Habitat for Humanity Sudbury District
Canadian Cystic Fibrosis Sudbury	Habitat for Humanity North Bay Blue Sky Region
Canadian Diabetics Association of Sudbury	Harvest Ministries Sudbury
Canadian Forces Personnel Support Agency	Heart and Stroke North Bay
Canadian Hearing Society	Heart and Stroke Sudbury
Canadian Jesuit Missions Subsidiary of Jesuit	Helping Hands Food Bank
Fathers of Upper Canada	Holy Redeemer Church
Canadian Liver Foundation	ICAN Independence Center & Network
Canadian Mental Health Association	Inner City Home
Canadian Parapalegic Association	International Children's Awareness
Canadian Red Cross Sudbury	The Jane Goodall Institute for Wildlife Research,
Carrefour Francophone De Sudbury	Education & Conservation

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2010

5. Designations to non-member agencies (continued):

Juvenile Diabetes Foundation	St. Andrew the Apostle Parish
Kidney Foundation of Canada	St. Bartholomew's Church
Knights and Ladies of Kaleva Inc	St John Ambulance
L'Arche Sudbury Inc	St. John the Evangelist Church
Larch Street Kids Child Care Inc	St. John's Church
Learning Disabilities Association of Sudbury	St. Kevin's Church
Les Compagnons des Francs Loisirs	St. Mark's United Church
Lifewater Canada	St. Paul's Church
Lupus Ontario	St. Pius X Church
Manitoulin Family Resources	Ste. Marguerite D'Youville Fideicommiss de Charite
Manjari Sankurathri Memorial Foundation	Sudbury Community Foundation
Meals on Wheels	Sudbury Hospice
Mission Partners International	Sudbury Right to Life
Multiple Sclerosis Society of Canada - Sudbury Chapter	Sudbury Soup Kitchen
Muskoka Family Focus and Children's Place	Sudbury Women's Centre
National Capital Children's Oncology Care Inc	Sudbury and Manitoulin Children's Foundation
New Sudbury Pentecostal	Ten Rainbows Foundation
Nipissing University	The Gathering Place
North Bay and District Humane Society	The Human League Association
North Bay Designations	The Kelly Shires Breast Cancer Snow Run for Fun Trust
North Bay Food Bank	The Mended Hearts Inc
North Bay Soup Kitchen Inc	The Parish Church of St. James Lockerby
Northern Cancer Research Foundation	The Samaritan Centre
Northern Ontario Families of Children with Cancer	Theatre Cambrian
Northern Ontario School of Medicine Thunder Bay	Tori's Buddies Research Fund Incorporated
Ontario March of Dimes	Transition House of Nipissing
Parkinson Society of Canada	Trinity United Church North Bay
Pediatric Aids Canada	Unitarian Universalist Church of North Hatley
Pregnancy Care Centre of Sudbury	University of Toronto
Princess Margaret Hospital Foundation	University of Windsor
Prostate Cancer Canada	VON Canada
Raising the Roof Chez Toit	Vital Signs
Rayside Balfour Youth Action	Volunteer Sudbury Benevolat
SPCA	War Amps
Sacred Way Ministries	Warm Hearts Palliative Care Givers Sudbury Manitoulin
Salvation Army	Warriors of Hope Breast Cancer Survivors Dragon Boat
Scouts Canada	Racing Team
Sexual Assault Crisis Center	West Nipissing General Hospital
Sick Kids Foundation	Wild at Heart Refuge Center
Skate for Kids Inc	YMCA Sudbury
	YWCA Sudbury Genevra House

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2010

6. Commitments:

The Organization is committed to payments under an operating lease for the premises through 2016 in the total amount of approximately \$133,488. Annual payments are as follows:

2011	\$	22,248
2012		22,248
2013		22,248
2014		22,248
2015		22,248
2016		22,248
	\$	133,488

7. Financial instruments:

The carrying values of cash, temporary investments, pledges and other accounts receivable, funds on deposit and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

8. Capital management:

The Organization defines its capital as its unrestricted net assets and is not subject to external restrictions on its capital.

The Organization has in place an annual budgeting process to assist in determining the funds required in order to meet working capital requirements.

The Organization's objective when managing its capital is to maximize investment income without compromising the maintenance of its capital.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Schedule of Allocations and Distribution of Funds

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Member Agency Programs:		
Canadian Red Cross Society of Sudbury	\$ 120,207	\$ 125,317
Canadian National institute for the Blind (CNIB)	77,498	79,551
Sudbury Family YMCA	71,829	72,294
Sudbury Action Centre for Youth	70,000	70,433
Learning Disabilities	60,881	60,507
Sudbury YWCA Geneva House	56,786	50,186
Canadian Mental Health Association	56,667	55,446
Big Brothers Association	53,492	54,298
John Howard Society of Sudbury	52,441	52,234
Centre De Sante Communautaire	50,799	60,742
Elizabeth Fry Society, Sudbury Branch	45,237	45,207
Better Beginnings Better Futures	43,456	45,616
L'Association des jeunes de la rue-Foyer Notre Dame	40,205	41,444
St. John Ambulance	38,615	39,122
Maison Vale Inco House	38,350	39,198
Iris Addiction Recovery for Women	36,500	36,637
The Human League Foundation	31,894	44,182
Canadian Hearing Society	28,434	28,719
Le Carrefour Francophone de Sudbury Inc.	20,515	20,539
Sudbury Multicultural - Folk Arts Association	20,500	20,500
ICAN	20,294	20,210
Sudbury District Restorative Justice	18,360	18,390
Rockhaven	13,000	13,000
Victorian Order of Nurses - Adult Care	11,907	47,674
Inner City Home	10,612	11,900
Volunteer Sudbury	10,000	36,000
Multiple Sclerosis Society	8,020	13,489
North Shore Search and Rescue	7,684	15,636
Sudbury Women's Centre	7,578	7,386
Art Gallery of Sudbury	7,000	7,000
Jubilee Heritage Family Resource	5,193	5,168
Family Enrichment Centre	3,000	10,000
	1,136,954	1,248,025
Other:		
Designations to non-member agencies (note 5)	154,886	177,622
Other	5,029	3,143
	159,915	180,765
	\$ 1,296,869	\$ 1,428,790

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Schedule of Expenses

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Fundraising:		
Salaries and employee benefits	\$ 227,504	\$ 162,716
Office supplies and general	35,031	21,653
Campaign promotion and supplies	19,674	93,240
Rent	11,439	11,043
Professional fees	7,215	13,700
Computer services	2,405	3,844
Equipment rental	2,104	3,721
Postage and shipping	1,787	9,526
Insurance	1,682	2,730
Conference and travel	1,134	7,096
	\$ 309,975	\$ 329,269
Community investment:		
Salaries and employee benefits	\$ 142,545	\$ 194,050
Office supplies and general	35,938	33,194
Rent	11,439	10,854
Professional fees	7,215	5,800
Computer services	2,405	3,290
Equipment rental	2,104	4,002
Postage and shipping	1,787	1,410
Insurance	1,682	2,730
Conference and travel	1,134	5,973
	\$ 206,249	\$ 261,303