

Financial Statements of

**UNITED WAY CENTRAIDE  
SUDBURY AND/ET NIPISSING  
DISTRICTS**

Year ended December 31, 2014

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Table of Contents

---

	<b>Page</b>
<b>Independent Auditors' Report</b>	
Statement of Financial Position	1
Statement of Operations and Changes in Net Assets	2
Statement of Cash Flows	3
Notes to Financial Statements	4 - 10
Schedule of Allocations and Distribution of Funds	11
Schedule of Expenses:	
Fundraising	12
Community Investment	12



**KPMG LLP**  
Claridge Executive Centre  
144 Pine Street  
Sudbury Ontario P3C 1X3  
Canada

Telephone (705) 675-8500  
Fax (705) 675-7586  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## INDEPENDENT AUDITORS' REPORT

To the Members of United Way Centraide Sudbury and/et Nipissing Districts

We have audited the accompanying financial statements of United Way Centraide Sudbury and/et Nipissing Districts, which comprise the statement of financial position as at December 31, 2014, 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 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.

### *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 disclosures 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 qualified audit opinion.

### *Basis for Qualified Opinion*

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



*Qualified 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 United Way Centraide Sudbury and/et Nipissing Districts as at December 31, 2014, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

April 8, 2015  
Sudbury, Canada

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
<b>Assets</b>		
Current assets:		
Cash	\$ 712,235	\$ 527,962
Temporary investments	567,175	708,087
Pledges receivable - current year's campaign	1,611,496	1,497,331
Pledges receivable - prior year's campaign	25,824	68,629
Prepaid expenses	7,623	7,375
Other accounts receivable	67,510	42,186
	<u>2,991,863</u>	<u>2,851,570</u>
Funds on deposit (note 2)	24,811	24,811
Capital assets	25,964	35,070
	<u>\$ 3,042,638</u>	<u>\$ 2,911,451</u>

## Liabilities, Deferred Contributions and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 166,747	\$ 35,410
Deferred revenue (note 3)	230,398	293,561
	<u>397,145</u>	<u>328,971</u>
Deferred capital contributions	2,161	2,701
	<u>399,306</u>	<u>331,672</u>
Net assets:		
Unrestricted	2,643,332	2,579,779
Commitments (note 5)		
	<u>\$ 3,042,638</u>	<u>\$ 2,911,451</u>

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Statement of Operations and Changes in Net Assets

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Revenue:		
Pledges made and cash donations	\$ 2,417,500	\$ 2,203,000
Less: Pledge recovery (loss) and other timing differences	(92,307)	12,884
Campaign revenue for financial reporting purposes	2,325,193	2,215,884
Other revenue:		
Grants	39,239	31,455
Amortization of deferred capital contributions	540	675
Other programs	63,802	113,680
Interest income	14,373	6,740
Other income	67,345	45,375
	2,510,492	2,413,809
Expenses:		
Allocations and distribution of funds (Schedule)	1,468,503	1,474,814
Fundraising (Schedule)	390,306	361,766
Community investment (Schedule)	480,391	436,520
Other programs	80,254	92,491
United Way of Canada fees	17,211	15,248
Amortization of capital assets	10,274	14,634
	2,446,939	2,395,473
Excess of revenue over expenses	63,553	18,336
Unrestricted net assets, beginning of year	2,579,779	2,561,442
<b>Unrestricted net assets, end of year</b>	<b>\$ 2,643,332</b>	<b>\$ 2,579,779</b>

See accompanying notes to financial statements.

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

## Statement of Cash Flows

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 63,553	\$ 18,336
Items not involving cash:		
Amortization of capital assets	10,274	14,634
Amortization of deferred capital contributions	(540)	(675)
	<u>73,287</u>	<u>32,295</u>
Change in non-cash working capital:		
(Increase) decrease in pledges receivable - current year's campaign	(114,165)	192,689
Decrease (increase) in pledges receivable - prior year's campaign	42,805	(46,270)
Increase in prepaid expenses	(248)	(1,631)
Increase in other accounts receivable	(25,324)	(907)
Increase in accounts payable and accrued liabilities	131,337	7,871
Decrease in deferred revenue	(63,163)	(47,967)
	<u>44,529</u>	<u>136,080</u>
Cash flows from investing activities:		
Purchase of capital assets	(1,168)	-
	<u>43,361</u>	<u>136,080</u>
Net increase in cash and investments	43,361	136,080
Cash and investments, beginning of year	1,260,860	1,124,780
Cash and investments, end of year	<u>\$ 1,304,221</u>	<u>\$ 1,260,860</u>
Cash and investments consist of:		
Cash	\$ 712,235	\$ 527,962
Temporary investments	567,175	708,087
Funds on deposit	24,811	24,811
	<u>\$ 1,304,221</u>	<u>\$ 1,260,860</u>

See accompanying notes to financial statements.

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements

Year ended December 31, 2014

---

## **Nature of operations:**

United Way Centraide Sudbury and/et Nipissing Districts (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 Sudbury and Nipissing districts 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:**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Organization's significant accounting policies are as follows:

### **(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) Temporary investments:**

Temporary investments are comprised of various mutual funds, which are highly liquid and are carried at fair value.



# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

---

## 1. Significant accounting policies (continued):

### (c) 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%

### (d) Use of estimates:

The preparation of the financial statements 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 revenue and expenses during the reporting periods. Items subject to such estimates and assumptions include the carrying value of capital assets and valuation allowances for pledges and accounts 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.

### (e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has elected to carry temporary investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 2. Funds on deposit:

	2014	2013
Funds held by the Sudbury Community Foundation:		
Tomorrow Fund	\$ 24,811	\$ 24,811

## 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:

	2014	2013
Designated campaign pledges	\$ 230,398	\$ 286,096
Deferred government funding	-	7,465
	\$ 230,398	\$ 293,561

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

---

## 4. Designations to non-members agencies:

Designations to non-member agencies represent funds collected by the Organization specifically designated for charities that are not member agencies. During 2014, the designations to non-member agencies amounted to \$102,232 (2013 - \$73,385) and included amounts paid to the following organizations:

### Agency Name

---

ABCs and Rice	Chapleau Pentecostal Church
Aboriginal Event	Children's Aid Society of the District of Nipissing and Parry Sound
Adamsdale Milk Program	Children's Hospital of Eastern Ontario
Algonquin Child & Family Services	Children's Treatment Centre
All Saints Anglican Church Coniston	Children's Wish Foundation of Canada
Amnesty International Canadian Section	Christian Children's Fund of Canada
Amyotrophic Lateral Sclerosis Society of Canada	Collège Boréal Foundation
Anglican Church of the Epiphany	Church of the Ascension
Animal Welfare Foundation of Canada	CNIB
Bancroft Drive Community Church	College Boreal Foundation
Banque D'aliments Sudbury Food Bank	Community Living Greater Espanola
Bishop's University	Community Living Greater Sudbury
Blue Door Soup Kitchen	Crohn's & Colitis Foundation of Canada
Brain Tumour Foundation of Canada	Cystic Fibrosis Canada
Calvin Presbyterian Church	Dave Suzuki Foundation
Camp Manitou Bay of Islands	Doctors Without Borders
Canada Post Foundation for Mental Illness and Mental Health	Down Syndrome Association of Sudbury
Canadian Breast Cancer Foundation	Dream Cather Charitable Foundation
Canadian Cancer Society Sudbury	Easter Seals Canada Timbres de Paques Canada
Canadian Cancer Society Ontario Division	Elgin Street Mission (Sudbury)
Canadian Diabetes Association of Sudbury	Epilepsy Association Ontario
Canadian Hard of Hearing Association	Equine Canada
Canadian Stem Cell Foundation	Espanola General Hospital
Canterbury College	Espanola Helping Hand Food Bank
Care Canada	Espanola Regional Hospital Foundation
Carrefour Francophone de Sudbury	Estaire-Wanup Volunteer Fire Brigade Inc.
Catholic Parishes of Onaping Fall and Cartier	Fraser Institute
Centennial Council 6074 Charitable Trust	Gathering Place
Centre Communautaire de Lavigne	Glad Tidings Church (Sudbury)
Centre de Femmes Victoria	Health Sciences North Foundation
Centre de Ressources Familiales Sturgeon	Heart & Stroke Sudbury
Falls Family Resource Centre	Heart & Stroke Foundation of Ontario

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

---

## 4. Designations to non-members agencies (continued):

Agency Name

---

Holy Redeemer Church	Ontario Lung Association
Horse Rescue Ontario	Ottawa Sids Society
Hospice Simcoe	Our Children Our Future/Brighter Futures
Hospital for Sick Children	Our Lady of Hope Parish
Human Society of Canada	Paroisse St. Jacques
Iris Regiment Association	Pediatric Oncology Group of Ontario
Juvenile Diabetes Research Foundation	Pet Save
Kidney Foundation of Canada	Plan International Canada Inc.
Knights and Ladies of Kaleva Inc.	Pregnancy Care Centre of Sudbury
Knights of Columbus #11565	Rick & Dan McDonald Memorial Child and Family Foundation
L'Amie	Ronald McDonald House Charities
Lansing Avenue Baptist Chapel	Safeguarding Animals In Need Today Society
L'Arche Sudbury Inc.	Saint John Regional Hospital Foundation
Leukemia & Lymphoma Society of Canada	Salvation Army
Lung Association of Canada	Salvation Army Huntsville Corps
Lupus Ontario	Second North River United Baptist Church
Make A Wish Foundation Of Eastern Ontario	Sick Kids Foundation
Manitoulin Health Centre	Sick Kids Charitable Giving Fund
Manitoulin Island Christadelphian Ecclesia	Sierra Club of Canada
Miners for Cancer	Skate for Kids Inc.
Mission Partners International	SPCA
Monarch Recovery Services	Special Olympics
Mother's Against Drunk Driving Canada	St. Bartholomew's Church
Multiple Sclerosis Society of Canada Sudbury Chapter	St. Casimir's Church
National Capital Children's Oncology Car Care Inc.	St. John The Evangelist Church
Nature Conservancy of Canada	St. Kevin's Church
NISA/Northern Initiative For Social Action	St. Patrick's Church
North Bay and District Humane Society	St. Paul's Church
North Bay Food Bank	St. Peter's United Church
North Bay Military Family Resource Centre	St. Pius X Church
North Bay Regional Health Centre Foundation	St. Stanislaus Church
North Bay Soup Kitchen Inc.	Ste Marguerite D'Youville Fideicommis de Charité
Northern Cancer Foundation	
Northern Ontario Families of Children with Cancer	

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

---

## 4. Designations to non-members agencies (continued):

Agency Name

---

Sudbury and Manitoulin Children's Foundation  
Sudbury Community Foundation  
Sudbury Prarthana Samaj  
TV Ontario  
Ten Rainbows Children's Foundation  
Tori's Buddies Research Fund Inc.  
Toronto Children's Care Inc.  
Toronto General & Western Hospital Foundation  
True Patriot Love Foundation for Support of  
Military Families  
UN Women Canada National Committee  
United Jewish Appeal of Canada Inc.  
United Way Centraide Ottawa  
United Way Cochrane - Timiskaming  
United Way of Durham Region  
United Way Greater Simcoe  
United Way of Greater Victoria  
United Way Sault Ste. Marie & District  
United Way of Thunder Bay  
University of Windsor  
Valleyview Community Church  
War Amputations of Canada  
War Child Canada  
Warm Hearts Palliative Care Givers  
Sudbury Manitoulin  
West Nipissing General Hospital  
Wild at Heart Refuge Centre  
World Wildlife Fund Canada  
Wounded Warriors Canada  
Zion Lutheran Church

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Notes to Financial Statements (continued)

Year ended December 31, 2014

---

## 5. Commitments:

The Organization is committed to payments under an operating lease for the Sudbury premises through July 31, 2016 as follows:

---

2015	\$	24,408
2016		14,238
	\$	38,646

---

## 6. Financial risks and concentration of credit risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

(b) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2013.

(c) Interest rate risk:

The Organization is not exposed to any significant interest rate risk.

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

Schedule of Allocations and Distribution of Funds

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
<b>Member Agency Programs:</b>		
Canadian Red Cross Society of Sudbury	\$ 130,020	\$ 138,452
Sudbury Action Centre for Youth	115,710	105,944
Better Beginnings Better Futures	99,913	95,743
Sudbury Family YMCA	72,346	72,886
Learning Disabilities	69,032	71,097
John Howard Society of Sudbury	67,699	67,489
Canadian National Institute for the Blind (CNIB)	62,837	60,004
Manitoulin Family Resources Inc.	59,257	22,500
Maison Vale Inco Hospice	57,459	37,609
Elizabeth Fry Society, Sudbury Branch	51,714	60,109
Sudbury YWCA Geneva House	47,556	45,996
Centre De Santé Communautaire	46,749	45,844
Canadian Mental Health Association	41,596	42,127
Big Brothers Bid Sisters Association of Greater Sudbury	54,240	40,444
St. John Ambulance	36,089	32,274
L'Association des jeunes de la rue-Foyer Notre Dame	40,750	40,237
Canadian Hearing Society	29,727	32,298
Le Carrefour Francophone de Sudbury	22,048	74
Family Enrichment Centre	19,959	4,706
Manitoulin Sudbury District Services Board	17,500	-
Low Income People Involvement of Nipissing	15,164	19,190
Social Planning Council	15,000	-
Sudbury Multicultural Folk Arts Association	14,500	20,500
Sudbury District Restorative Justice	14,450	14,450
Art Gallery of Sudbury	12,500	21,000
Brain Injury Association Sudbury and District	21,750	-
Nipissing Association for Disabled Youth	10,000	10,000
Volunteer Sudbury	10,000	20,000
Inner City Home	7,560	7,402
Patrick4Life AIDS Awareness & Education	5,000	10,000
Rockhaven	3,512	13,080
Sudbury Women's Centre	3,450	-
Aids Committee of North Bay	4,000	-
Autism Ontario North Bay and Area	2,250	3,854
Jubilee Heritage Family Resource	2,000	2,000
Alzheimer Society North Bay & District	1,875	3,388
Autism Ontario Sudbury District	1,279	-
Literacy Alliance of West Nipissing	1,000	-
Iris Addiction Recovery for Women	699	340
Packsack Smiles Organization	625	1,875
Christ Church	264	-
ICAN	195	11,614
North Shore Search and Rescue	-	3,110
Amelia Rising Sexual Assault Centre	-	875
The Human League Association	-	793
	<b>1,289,271</b>	<b>1,179,304</b>
<b>Other:</b>		
Designations to non-member agencies (note 4)	102,232	73,385
Community Grants	67,000	213,000
Other	10,000	9,125
	<b>179,232</b>	<b>295,510</b>
	<b>\$ 1,468,503</b>	<b>\$ 1,474,814</b>

# UNITED WAY CENTRAIDE SUDBURY AND/ET NIPISSING DISTRICTS

## Schedule of Expenses

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Fundraising:		
Salaries and employee benefits	\$ 295,175	\$ 273,503
Campaign promotion and supplies	39,003	25,606
Office supplies and general	18,716	21,060
Rent	16,179	15,501
Conference and travel	6,953	9,333
Professional fees	6,528	6,419
Computer services	1,468	4,360
Equipment rental	3,915	3,938
Insurance	1,451	1,749
Postage and shipping	918	297
	<b>\$ 390,306</b>	<b>\$ 361,766</b>

### Community Investment:

Salaries and employee benefits	\$ 384,575	\$ 337,584
Office supplies and general	40,209	57,339
Rent	16,179	15,501
Conference and travel	25,148	9,333
Professional fees	6,528	6,419
Computer services	1,468	4,360
Equipment rental	3,915	3,938
Insurance	1,451	1,749
Postage and shipping	918	297
	<b>\$ 480,391</b>	<b>\$ 436,520</b>