

Financial Statements of

**THE UNITED WAY  
OF GREATER VICTORIA**

Year ended March 31, 2019

# THE UNITED WAY OF GREATER VICTORIA

## Financial Statements

Year ended March 31, 2019

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KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITORS' REPORT

*To the Members of The United Way of Greater Victoria*

### **Report on the Financial Statements**

#### ***Opinion***

We have audited the financial statements of The United Way of Greater Victoria (the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, 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.

#### ***Basis for 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 auditors' report.

We are independent of the Entity 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 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 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 or to 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 the 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 Entity'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 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.
- 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.
- 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.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles applied by the Entity in preparing and presenting the financial statements in accordance with the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Victoria, Canada  
June 5, 2019

# THE UNITED WAY OF GREATER VICTORIA

## Statement of Financial Position

March 31, 2019, with comparative information for 2018

	Operating Fund	Restricted Funds	Total 2019	Total 2018
<b>Assets</b>				
Current assets:				
Cash	\$ 1,138,554	\$ 96,603	\$ 1,235,157	\$ 1,175,209
Pledges receivable (note 2)	1,781,282	-	1,781,282	1,895,670
Other receivables	15,451	12,058	27,509	17,993
Interfund balances	661,955	(661,955)	-	-
	3,597,242	(553,294)	3,043,948	3,088,872
Investments (note 3)	-	6,860,421	6,860,421	8,062,587
Cash surrender value of life insurance policies	-	150,256	150,256	153,560
Capital assets (note 4)	513,026	-	513,026	616,938
	\$ 4,110,268	\$ 6,457,383	\$ 10,567,651	\$ 11,921,957

## Liabilities

Current liabilities:

Accounts payable and accrued liabilities (note 5)	\$ 599,743	\$ 19,957	\$ 619,700	\$ 588,944
Community grants payable	2,323,874	36,560	2,360,434	2,646,470
Deferred revenue	372,615	-	372,615	375,640
Deferred lease inducement	56,457	-	56,457	56,457
	3,352,689	56,517	3,409,206	3,667,511
Deferred lease inducement	263,468	-	263,468	319,927

## Fund Balances

Internally restricted (note 6)	-	4,761,188	4,761,188	6,299,604
Externally restricted (note 6)	-	21,059	21,059	49,410
Endowment (note 6)	-	1,618,619	1,618,619	1,583,560
Unrestricted	494,111	-	494,111	1,945
	494,111	6,400,866	6,894,977	7,934,519


Commitments (note 12)

	\$ 4,110,268	\$ 6,457,383	\$ 10,567,651	\$ 11,921,957
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The accompanying notes are an integral part of these financial statements.

Approved by the Board:

 Director

 Director

# THE UNITED WAY OF GREATER VICTORIA

## Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	Operating Fund	Restricted Funds	Total 2019	Total 2018
<b>Revenue:</b>				
Campaign revenue (note 10)	\$ 4,746,950	\$ -	\$ 4,746,950	\$ 5,001,371
Less allowance for uncollectible pledges	71,175	-	71,175	76,025
Net campaign revenue	4,675,775	-	4,675,775	4,925,346
<b>Other gifts and revenues:</b>				
Sponsorships	24,400	-	24,400	12,800
Investment income	298,778	81,382	380,160	479,285
Bequests	48,138	(3,304)	44,834	33,927
Success by 6	-	245,314	245,314	246,396
Events, rent and other	26,132	-	26,132	5,885
	397,448	323,392	720,840	778,293
	5,073,223	323,392	5,396,615	5,703,639
<b>Expenses:</b>				
Resource development expenses:				
Resource development	1,074,237	-	1,074,237	1,377,481
Campaign costs other United Ways	43,583	-	43,583	58,498
Investment portfolio fees	-	43,407	43,407	49,681
	1,117,820	43,407	1,161,227	1,485,660
Net revenue before the undernoted	3,955,403	279,985	4,235,388	4,217,979
<b>Program expenses:</b>				
Grant distributions	2,302,425	265,095	2,567,520	2,788,479
Donor directed donations	1,113,816	-	1,113,816	1,371,175
Community investment	895,471	-	895,471	872,557
Success by 6	-	65,093	65,093	74,035
	4,311,712	330,188	4,641,900	5,106,246
Deficiency of revenue over expenses before the undernoted	(356,309)	(50,203)	(406,512)	(888,267)
Investment in individual giving	(633,030)	-	(633,030)	(533,000)
Deficiency of revenue over expenses	\$ (989,339)	\$ (50,203)	\$ (1,039,542)	\$ (1,421,267)

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

# THE UNITED WAY OF GREATER VICTORIA

## Statement of Changes in Fund Balances

Year ended March 31, 2019, with comparative information for 2018

	Operating Fund	Restricted Funds	Total
Fund balance, March 31, 2017	\$ 6,955	\$ 9,348,831	\$ 9,355,786
Excess of revenue over expenses	(1,396,941)	(24,326)	(1,421,267)
Transfer from Restricted to Operating Funds (note 7)	1,425,000	(1,425,000)	-
Transfer from Operating to Restricted Funds (note 7)	(33,069)	33,069	-
Fund balance, March 31, 2018	1,945	7,932,574	7,934,519
Excess of revenue over expenses	(989,339)	(50,203)	(1,039,542)
Transfer from Restricted to Operating Funds (note 7)	1,549,600	(1,549,600)	-
Transfer from Operating to Restricted Funds (note 7)	(68,095)	68,095	-
Fund balance, March 31, 2019	\$ 494,111	\$ 6,400,866	\$ 6,894,977

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



# THE UNITED WAY OF GREATER VICTORIA

## Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Excess (loss) of revenue over expenses	\$ (1,039,542)	\$ (1,421,267)
Items not involving cash:		
Amortization	112,838	135,038
Change in cash surrender value of life insurance	3,304	(858)
Gain (loss) on disposal of investments	188,619	(88,495)
Unrealized gain (loss) on investments	(261,832)	(88,340)
Deferred lease inducement	(56,457)	(75,276)
<u>Change in non-cash operating working capital (note 8)</u>	<u>(153,434)</u>	<u>336,671</u>
	(1,206,504)	(1,202,527)
Investing activities:		
Purchase of equipment	(8,926)	(14,902)
Net decrease in investments	1,275,378	1,208,802
	<u>1,266,452</u>	<u>1,193,900</u>
Increase (decrease) in cash	59,948	(8,627)
Cash, beginning of year	1,175,209	1,183,836
<u>Cash, end of year</u>	<u>\$ 1,235,157</u>	<u>\$ 1,175,209</u>

Supplemental cash flow information (note 8)

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

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

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The mission of The United Way of Greater Victoria (the “United Way” or “UWGV”) is to improve lives and build community by engaging individuals and mobilizing collective action.

The United Way is incorporated under the Society Act (BC) and transitioned to the new Societies Act (British Columbia) on February 27, 2018. UWGV is registered as a charitable organization under the Income Tax Act and, as such, is exempt from income taxes, and is able to issue donation receipts for income tax purposes.

## 1. Significant accounting policies:

These financial statements are prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

### (a) Fund accounting:

The United Way follows the restricted fund method of accounting for contributions.

#### Operating Fund:

The operations (general and administrative) of the UWGV which include the annual campaign and all major gifts are recorded in the Operating Fund.

- All funds except for restricted bequests, endowments and net investment income for restricted purposes are recognized in the Operating Fund.
- All operating expenses, community partner funding commitments and annual funding decisions as approved by the Board of Directors are recorded in the Operating Fund.
- All capital assets and amortization are recorded in the Operating Fund.

#### Restricted Funds:

The Restricted Funds include resources subject to restrictions by the donor and amounts internally restricted by the Board of Directors.

#### Investment Fund:

The Investment Fund:

- Provides stability and protection in the event of an extraordinary event such as a disaster that may affect our organization or services in the community.
- Supports and maintains our leased facility.
- Supports the replacement capital expenditures.
- Supports sustainability, expansion and innovation of revenue streams.
- Provides additional investment in our priority areas.

All unrestricted bequests received are recorded as revenue of the Operating Fund and transferred to the Investment Fund. The Investment Fund is internally restricted by the Board of Directors. Investment income from the Investment Fund assists in offsetting costs of the Operating Fund.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

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## 1. Significant accounting policies (continued):

### (a) Fund accounting (continued):

#### Endowment Funds:

Endowment Funds are made up of gifts and bequests that are subject to a requirement that the principal be maintained intact and invested to create a source of income for United Way. Donors may specify an endowment to fund a specific interest(s) or be more general. In any case, an endowment requires that the principal remain intact in perpetuity, or for a defined period of time, or until sufficient assets have been accumulated to achieve a designated purpose.

#### The Success by 6 Fund:

Success by 6 is an Early Childhood Development Provincial Partnership between the Province of British Columbia, Credit Unions of B.C. and United Ways of B.C. The United Way administers this externally restricted fund for the Success by 6 South Island Council of Partners.

This fund reports the assets, liabilities, revenue and expenses relating to the South Island Success by 6 initiatives. This partnership ended March 31, 2019.

### (b) Revenue recognition:

Restricted contributions related to operations are recognized as revenue of the Operating Fund in the period in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable.

Unrestricted contributions are recognized as revenue of the Operating Fund in the period received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund. Unrestricted investment income including the realized and unrealized gain or loss on investments is recognized as revenue of the Operating Fund.

Endowment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund.

Donations of life insurance policies are recorded when the funds are received by the United Way. The cash surrender value of life insurance policies and changes in the cash surrender value are recorded for those policies in which the United Way is the beneficiary.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

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## 1. Significant accounting policies (continued):

### (c) Expense allocations:

The United Way of Greater Victoria allocates costs to resource development and community investment programs in accordance with the policies of the United Way of Canada - Centraide. Administration and communication expenses which do not pertain specifically to resource development or community impact programs are allocated based on management's estimates of time and dollars spent as indicated below:

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	Administration expenses
Resource development	60%
Community investment programs	40%

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### (d) Designations for agencies:

The United Way collects funds designated by Campaign donors for other Canadian registered charities. These funds are included in Campaign revenue and are recognized as expenditures of the current Campaign, net of a \$12 fee per designation.

Flow through donations are funds received under the flow through arrangements for other United Ways. The amount received is recorded as a liability.

### (e) Volunteers:

Volunteers contribute an indeterminable number of hours to the United Way across its operations. Because no objective basis exists for recording and assigning fair values to donated time, the value of this time has not been reflected in these financial statements.

### (f) Materials and services:

The United Way receives contributions of both materials and services. Because of the difficulty in determining fair value, contributed materials and services are not recognized in these financial statements.

### (g) Pledges receivable:

Contributions pledged are recorded as receivable and allowances are provided for amounts estimated to be uncollectible.

### (h) Life insurance policies:

The United Way is owner and beneficiary of various life insurance policies. The cash surrender value of these policies is reflected as an asset on the statement of financial position. The annual change in the aggregate cash value is recorded in the statement of operations as revenue from bequests in the restricted funds.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

## 1. Significant accounting policies (continued):

### (i) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. When a capital asset no longer contributes to the United Way's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Computer equipment	3 – 10 years
Furniture and equipment	10 years
Leasehold improvements	8 years

### (j) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. 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 United Way has designated all investments to be recorded at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the United Way determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the United Way expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (k) Investment income:

Investment income includes interest income and dividends, and unrealized gains/losses on investments recorded at fair value.

### (l) Employee future benefits:

The United Way administers and provides matching contributions to employee registered retirement savings plans. Contributions are expensed as incurred. Employees are entitled to sick leave as part of their employment. The United Way has not recognized an accrual for employee earned but unused sick banks in its financial statements.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

## 1. Significant accounting policies (continued):

(m) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions which 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 period. Significant items subject to such estimates and assumptions include the determination of the allowance for uncollectible pledges. Actual results could differ from those estimates.

## 2. Pledges receivable:

	2019	2018
Current period's campaign pledges	\$ 1,826,139	\$ 1,937,080
Deduct allowance for uncollectible pledges	71,175	74,776
	1,754,964	1,862,304
Prior period's campaign pledges	101,094	111,726
Deduct allowance for uncollectible pledges	74,776	78,360
	26,318	33,366
	\$ 1,781,282	\$ 1,895,670

## 3. Investments:

Investments are comprised of a diversified portfolio of mutual funds, managed in accordance with the United Way's investment policy, summarized as follows:

	2019	2018
Canadian equity - 21.7%	\$ 1,491,764	\$ 1,621,358
Foreign equity - 22.8%	1,563,066	1,900,151
Bond funds - 44.6%	3,057,120	3,841,449
Money market - 10.9%	748,471	699,629
	\$ 6,860,421	\$ 8,062,587

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

### 3. Investments (continued):

Change in investments is calculated as follows:

	2019	2018
Investments, beginning of year	\$ 8,062,586	\$ 9,094,552
Net purchase (disposal) of investments	(1,230,912)	(1,157,908)
Change in unrealized and realized gain on investments	73,213	176,835
Management fees	(44,466)	(50,892)
Investments, end of year	\$ 6,860,421	\$ 8,062,587

### 4. Capital assets:

2019	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 333,931	\$ 218,178	\$ 115,753
Furniture and equipment	89,523	23,692	65,831
Leasehold improvements	466,402	134,960	331,442
	\$ 889,856	\$ 376,830	\$ 513,026

2018	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 339,822	\$ 181,545	\$ 158,277
Furniture and equipment	89,523	15,101	74,422
Leasehold improvements	460,857	76,618	384,239
	\$ 890,202	\$ 273,264	\$ 616,938

Leasehold improvements represent renovations funded by United Way's landlord for leased premises. An equivalent amount of deferred rent will be recognized as revenue over the term of the lease.

### 5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$19,257 (2018 - \$21,968), which includes amounts payable for payroll related taxes.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

## 6. Restricted fund balances:

Restricted fund balances are comprised of:

	2019	2018
Investment Fund	\$ 4,761,188	\$ 6,299,604
Endowment Fund	1,618,619	1,583,560
Success by 6 Fund	21,059	49,410
	<u>\$ 6,400,866</u>	<u>\$ 7,932,574</u>

The endowment fund includes an initial contribution of \$1,237,205 which is to be held in perpetuity. The income earned on the endowment is externally restricted.

## 7. Internal transfer:

During the year, the Board of Directors approved two inter-fund transfers including \$68,095 (2018 - \$33,069) from the Operating Fund to the Investment Fund, representing bequests received during the year and \$1,549,600 from the Investment Fund to the Operating Fund.

## 8. Supplemental cash flow information

Supplementary disclosure of cash flow information:

	2019	2018
Cash received from dividends and interest	\$ 376,947	\$ 302,449
Changes in non-cash operating working capital:		
Pledges receivable	\$ 114,388	\$ 252,464
Other receivables	(9,516)	32,197
Accounts payable and accrued liabilities	30,755	250,443
Community grants payable	(286,036)	(207,415)
Deferred revenue	(3,025)	8,982
	<u>\$ (153,434)</u>	<u>\$ 336,671</u>



# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

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

### (a) Currency risk:

The United Way is not exposed to currency risk as all financial instruments are denominated in Canadian dollars.

### (b) Liquidity risk:

Liquidity risk is the risk that the United Way will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The United Way manages its liquidity risk by monitoring its operating requirements. The United Way prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

### (c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The United Way is exposed to credit risk with respect to pledges receivable. The United Way assesses, on a continuous basis, pledges receivable and provides for any amounts that are not collectible in the allowance for uncollectible pledges as described in note 2.

### (d) Interest rate risk:

The United Way is exposed to interest rate risk on its investments. The United Way manages this risk through its investment policy specifying permitted investments within the portfolio. Information related to the United Way's investments is included in note 3.

There has been no change to the risk exposure from 2018.

## 10. Campaign revenue:

Campaign revenue relates to donations mainly received from donors in the Capital Regional District area. Certain United Ways are requested to act on behalf of employers and employee groups as the coordinator of their national campaigns and to receive and disburse funds on behalf of other united Ways within local communities.

Campaign revenue for United Way is as follows:

	2019	2018
Campaign revenue collected	\$ 4,447,143	\$ 4,265,831
Funds received from other United Ways	361,390	804,825
Funds received for other United Ways	(61,583)	(69,285)
Campaign revenue recognized	\$ 4,746,950	\$ 5,001,371

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

## 11. Cost ratios:

The following ratio is disclosed to align with the United Way of Canada - Centraide Canada's *Transparency, Accountability and Financial Reporting Policies for United Ways*. The calculation of the ratio has been amended in the current year to reflect all streams of revenue and other expenditure items including campaign costs from other United Ways, investment portfolio fees and costs related to the individual giving program. The changes have been applied consistently to the prior year presentation, for consistency with guidance from United Way of Canada.

	2019	2018
Total revenue generated from all sources, before deducting pledge loss	\$ 5,467,790	\$ 5,779,664
Resource development	\$ 839,553	\$ 1,157,154
Investment in individual giving	633,030	533,000
General management and administration expense allocated to fundraising	321,674	328,506
Total fundraising expense	\$ 1,794,257	\$ 2,018,660
Resource development as a % of total revenue	15.3%	20.0%
Investment in individual giving as % of total revenue	11.6%	9.2%
General management and administration expense, as a % of total revenue	5.9%	5.7%
Total fundraising expense as a % of total revenue	32.8%	34.9%

The individual giving program is a five year investment strategy approved by the Board to generate revenues and is funded from income earned in the Investment Fund. The first two year investment strategy was approved by the Board in 2014 and a further three year investment strategy was approved by the Board in 2017.

# THE UNITED WAY OF GREATER VICTORIA

Notes to Financial Statements

Year ended March 31, 2019

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## 12. Commitments:

Multi-year funding agreements:

United Way has entered into agreements with certain community partners (agencies) to set their allocations over one to three year terms. The agreements can be renewed by mutual consent subject to the community partner meeting certain defined criteria established in the Memorandum of Understanding with the United Way.

Funding commitments to be paid out in the next three years are as follows:

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2019 - 2020	\$ 2,450,489
2020 - 2021	2,037,615
2021 - 2022	126,615

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Any donor directed gifts to community partners are distributed on top of grant allocations.

United Way has a \$500,000 credit facility available for borrowing. The line of credit has an interest rate of bank prime rate plus 1.25% and is unused as at March 31, 2019.

In 2018, United Way of Greater Victoria entered into a lease with an eight year term and an option to renew for a further seven year period. The future minimum lease payments to the expiry date are as follows:

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2020	\$ 94,512
2021	96,593
2022	101,645
2023	101,645
2024	101,645
Thereafter	71,999

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The lease agreement also includes United Way's proportionate share of operating costs, which are not included in the future minimum lease payments to the expiry date as noted above.

## 13. Employee and contractor remuneration:

The BC Societies Act came into effect on November 28, 2016. The Act has a requirement for the disclosure in the financial statements of the remuneration of directors, employees and contractors for financial statements prepared after November 28, 2016. For employee and contractor remuneration the requirement is to disclose amounts paid to individuals whose remuneration was greater than \$75,000. For the fiscal year ending March 31, 2019, the United Way of Greater Victoria paid remuneration of \$644,144 (2018 - \$752,429) to 6 (2018 - 7) employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater. For the fiscal years ending March 31, 2019 and 2018, the United Way of Greater Victoria made no payments to the Directors of the Board.

# THE UNITED WAY OF GREATER VICTORIA

Grant Distributions  
(Unaudited)

SCHEDULE A

Year ended March 31, 2019, with comparative information for 2018

	Community Investments	Restricted Funds	Total 2019	Total 2018
Funded community partners:				
Aboriginal Coalition to End Homelessness	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
Anawim Companions Society	25,000	-	25,000	25,000
BC211	200,060	-	200,060	126,615
BC Council for Families	-	1,000	1,000	-
BC Schizophrenia Society	25,000	-	25,000	25,000
Beacon Community Services	47,000	11,475	58,475	60,512
Big Brothers & Big Sisters of Victoria	50,000	-	50,000	50,000
Boys & Girls Club Services of Greater Victoria	79,665	-	79,665	90,000
Bridges for Women	35,000	-	35,000	35,000
Burnside Gorge Community Association	-	9,995	9,995	50,000
Community Options for Children & Families Society	5,000	-	5,000	15,000
Cridge Centre for the Family	44,000	-	44,000	44,000
Downtown Blanshard Community Centre	-	-	-	11,500
DRS Dialogue & Resolution Services	5,000	-	5,000	-
Early Childhood Educators of BC	-	-	-	2,600
Early Years Association	-	1,000	1,000	-
Emerging Needs	-	-	-	-
Esquimalt Military Resource Centre	-	-	-	15,000
Esquimalt Nation	-	10,000	10,000	10,000
Esquimalt Neighbourhood House Society	25,000	5,925	30,925	28,200
Family Caregivers Network Society	5,000	-	5,000	30,000
Family Services of Greater Victoria	50,000	-	50,000	50,000
Farmlands Trust	-	14,625	14,625	12,895
Fernwood Neighbourhood Group Society	30,000	-	30,000	30,000
Friends of Living & Learning Through Loss	10,000	-	10,000	10,000
Galiano Activity Centre	-	4,255	4,255	-
Galiano Club	20,000	-	20,000	20,000
Garth Homer	39,670	-	39,670	50,000
Greater Victoria Citizens' Counseling Centre	5,000	-	5,000	-
Greater Victoria Coalition to End - Homelessness	-	-	-	16,800
Habitat for Humanity	5,000	-	5,000	10,000
Hulitan Social Services Society	-	92,000	92,000	79,200
Intercultural Association of Greater Victoria	90,000	-	90,000	80,000
Island Deaf & Hard of Hearing	50,000	-	50,000	50,000
Island Sexual Health Society	25,000	-	25,000	25,000
James Bay Health & Community Services Society	15,000	3,420	18,420	4,835
Learning Disabilities Association of B.C.	5,000	13,310	18,310	16,445
Kidcare	-	-	-	2,500
Lifecycles Project Society	10,000	-	10,000	10,000
Mayne Island Early Childhood Society	-	10,000	10,000	-
Move Adapted Fitness & Rehabilitation	-	-	-	2,620
Need Crisis & Information Line	30,000	-	30,000	-
Oak Bay Volunteer Services Society	5,035	-	5,035	-
Oasis Society for Spiritual Health	25,000	-	25,000	25,000
1000x5 Children's Book Recycling Project Society	-	-	-	2,500
Pacheedaht First Nation	-	-	-	10,000
Carried forward	985,430	177,005	1,162,435	1,151,222

# THE UNITED WAY OF GREATER VICTORIA

Grant Distributions  
(Unaudited)

SCHEDULE A

Year ended March 31, 2019, with comparative information for 2018

	Community Investments	Restricted Funds	Total 2019	Total 2018
Funded community partners (continued):				
Brought forward	985,430	177,005	1,162,435	1,151,222
Pacific Centre Family Services	70,000	-	70,000	70,000
Pacifica Housing Advisory Association	45,000	-	45,000	45,000
Parent Support Services Society of Canada	25,000	-	25,000	25,000
Pender Island Child Care	-	9,690	9,690	-
Pepaken Hautw Food Systems Education Foundation	5,000	-	5,000	-
Prostitutes Empowerment Education & Resources Society	50,000	-	50,000	50,000
Ready to Rent BC	30,000	-	30,000	30,000
Saanich Neighbourhood Place	30,000	8,000	38,000	40,000
Saanich Volunteer Services	5,900	-	5,900	-
Salt Spring Island - Community Services Society	60,000	11,225	71,225	76,050
Salt Spring Public Library	-	1,600	1,600	-
Salt Spring Women Opposed to Violence	25,000	-	25,000	25,000
Seniors Serving Seniors Association of BC	5,000	-	5,000	15,000
Signature Initiatives	165,095	-	165,095	450,000
Society of Saint Vincent de Paul of V. I.	40,000	-	40,000	40,000
Sooke Cooperative Assoc. of Service Agencies	5,000	-	5,000	-
Sooke Family Resource Centre	30,000	11,025	41,025	48,112
Sooke Transition House Society	30,000	14,625	44,625	42,895
South Island Centre - For Counseling & Training Society	5,000	-	5,000	-
Surrounded by Cedar	-	10,000	10,000	-
Together Against Poverty Society	55,000	-	55,000	55,000
Tsecum First Nation	-	10,000	10,000	10,000
Umbrella Foundation for Addictions & Mental Health	76,000	-	76,000	70,000
Vancouver Island AIDS Society (AVI)	70,000	-	70,000	70,000
Vancouver Island Men's Counselling Society	12,000	-	12,000	-
Victoria Brain Injury Society	45,000	-	45,000	45,000
Victoria Child Abuse Prevention & Counselling Ctr.	25,000	-	25,000	25,000
Victoria Child Care Resource & Referral	-	5,925	5,925	3,200
Victoria Cool Aid Society	86,000	-	86,000	80,000
Victoria Immigrant and Refugee Centre	40,000	-	40,000	40,000
Victoria Native Friendship Centre	70,000	6,000	76,000	70,000
Victoria Rainbow Kitchen	25,000	-	25,000	25,000
Victoria Therapeutic Riding Association	10,000	-	10,000	-
Victoria Single Parent Resource Centre	30,000	-	30,000	30,000
Victoria Women's Sexual Assault Centre	45,000	-	45,000	50,000
Victoria Women's Transition House	45,000	-	45,000	50,000
Victoria Youth Clinic	10,000	-	10,000	-
Victoria Youth Empowerment Society	40,000	-	40,000	40,000
We Rage, We Weep Alzheimer Foundation	7,000	-	7,000	7,000
Young Parents Support Network	-	-	-	10,000
	2,302,425	265,095	2,567,520	2,788,479
Donor Directed Gifts	1,113,816	-	1,113,816	1,371,175
<b>Total Grant Distributions and Donor Directed Gifts</b>	<b>\$ 3,416,241</b>	<b>\$ 265,095</b>	<b>\$ 3,681,336</b>	<b>\$ 4,159,654</b>

# THE UNITED WAY OF GREATER VICTORIA

Administration Expenses  
(Unaudited)

## SCHEDULE B

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Amortization	\$ 112,838	\$ 135,038
Annual meeting	2,517	5,304
Audit and legal	64,778	21,284
Automobile and travel	18,483	15,479
Bank charges	8,009	7,926
Building costs and utilities	124,519	101,446
Computer	57,042	56,939
Insurance	8,802	9,016
Meetings and meals	4,981	9,722
Meetings and meals – board	9,598	10,779
Office supplies	7,550	9,008
Postage and courier	9,596	13,529
Printed materials	3,535	5,912
Recruitment	69,187	3,752
Staff development	22,341	46,534
Subscriptions and dues	2,324	2,680
Telephone	10,024	10,360
Administrative expenses to be allocated	536,124	464,708
Administration expense allocation to resource development - 60%:		
Workplace	(275,896)	(278,824)
Individual giving	(45,779)	-
Administration expense allocation to community investment - 40%	(214,449)	(185,884)
	\$ -	\$ -

# THE UNITED WAY OF GREATER VICTORIA

Resource Development Expenses  
(Unaudited)

## SCHEDULE C

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Advertising	\$ 45,387	\$ 65,170
Automobile and travel	23,215	33,132
Campaign cost recovery	(14,160)	(15,486)
Credit card fees	16,787	14,854
Direct mail marketing	-	8,616
Employee benefits	108,139	187,800
Events:		
Kick-off	10,919	12,913
Major Gifts	-	5,681
Leadership	1,228	4,901
Raise the red	-	1,500
Red feather	-	5,906
Spirit awards/Spirit Fest	23,843	17,404
Meetings and meals	4,054	15,269
Printed materials	13,645	17,356
Salaries	557,824	704,246
Subscriptions and dues	583	4,813
Workplace campaign costs	6,877	14,581
Administration expense allocation - Workplace - 60%	275,896	278,825
	<u>\$ 1,074,237</u>	<u>\$ 1,377,481</u>

# THE UNITED WAY OF GREATER VICTORIA

Community Investment Expenses  
(Unaudited)

## SCHEDULE D

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Advertising	\$ 11,347	\$ 8,885
Automobile and travel	4,702	3,489
Computer	408	534
Employee benefits	82,626	79,639
Meetings and meals	1,428	2,013
Partnership - community	5,522	18,694
Printing	1,292	1,793
Research and development	1,808	12,766
Salaries	518,184	500,304
Subscriptions and dues	162	50
Telephone	780	780
UnitedNOW! Council	-	445
United Way of Canada fees	52,763	57,281
Administrative expenses to community impact allocations - 40%	214,449	185,884
	<u>\$ 895,471</u>	<u>\$ 872,557</u>



# THE UNITED WAY OF GREATER VICTORIA

Success by 6 Expenses  
(Unaudited)

## SCHEDULE E

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Audit fees	\$ 650	\$ 650
Auto and travel	1,307	2,185
Bank charges	20	20
Conferences and seminars	-	649
Meetings and meals	-	280
Office supplies	-	162
Public awareness	19,316	19,956
Purchase of services	43,800	50,133
	<u>\$ 65,093</u>	<u>\$ 74,035</u>