



Financial Statements

United Way/Centraide
(Central N.B./Région du Centre du N.B.) Inc.

March 31, 2024

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Independent auditor's report

To the Members of
United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc.

Qualified Opinion

We have audited the financial statements of United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. ("the Organization"), which comprise the statement of financial position as at March 31, 2024, and the statement of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial position of United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. as at March 31, 2024, 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 Qualified Opinion

In common with many not-for-profit organizations, United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. derives revenue from donations from the public, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, deficiency of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1, 2023 and 2022 and March 31, 2024 and 2023. 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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Fredericton, Canada

June 25, 2024

Chartered Professional Accountants

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Statements of operations and changes in fund balances

Year Ended March 31	2024	2023			
Revenue					
Donations processed and fundraising events	\$ 941,231	\$ 826,694			
Funds transferred from other United Ways-Centraides	120,963	197,792			
Funds collected on behalf of other United Ways-Centraides	<u>10,393</u>	<u>6,142</u>			
Gross campaign revenue available for the community	1,072,587	1,030,628			
Less: provision for uncollectible pledges	<u>(50,713)</u>	<u>(42,841)</u>			
Net campaign revenue	1,021,874	987,787			
Sponsorship	16,580	13,000			
Other revenue	38,091	19,351			
Grant revenue	7,857	36,578			
Management fee	7,500	-			
Nackawic community revenue	27,598	29,133			
Food For All N.B. Inc.	217,398	226,083			
Community Services Recovery Fund revenue	449,574	10,365			
Kick-off revenue	4,504	-			
Building Safer Communities revenue	<u>199,355</u>	<u>-</u>			
	1,990,331	1,322,297			
Campaign expenses (page 13)	<u>266,704</u>	<u>272,239</u>			
Net amount available for community investments and programs	1,723,627	1,050,058			
Food For All N.B. Inc. expenses (page 15)	219,620	226,083			
Community investments and program expenses (page 14)	<u>1,519,819</u>	<u>992,096</u>			
Deficiency of revenue over expenses	<u>\$ (15,812)</u>	<u>\$ (168,121)</u>			
	Investment in equipment	Unrestricted	Restricted	2024 Total	2023 Total
Fund balance, beginning of year	\$ 4,418	\$ 362,150	\$ 7,000	\$ 373,568	\$ 541,689
Deficiency of revenue over expenses	<u>(4,418)</u>	<u>(11,394)</u>	<u>-</u>	<u>(15,812)</u>	<u>(168,121)</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 350,756</u>	<u>\$ 7,000</u>	<u>\$ 357,756</u>	<u>\$ 373,568</u>

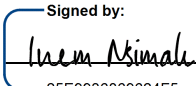
See accompanying notes to the financial statements.

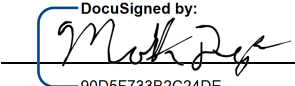
**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Statement of financial position

March 31	2024	2023
Assets		
Cash and cash equivalents	\$ 609,417	\$ 764,496
Receivables	13,994	20,774
Prepaid expenses	<u>14,478</u>	<u>16,213</u>
	637,889	801,483
Pledges receivable – current year campaign	543,854	421,648
Pledges receivable – prior year campaign	8,928	41,821
Less: allowance for uncollectible pledges	<u>(40,000)</u>	<u>(40,000)</u>
	512,782	423,469
Capital assets (Note 3)	<u>-</u>	<u>4,418</u>
	<u>\$1,150,671</u>	<u>\$1,229,370</u>
Liabilities		
Payables and accruals		
Trade	\$ 15,288	\$ 26,456
Government remittances	13,113	9,131
Accrued allocations	605,326	640,805
Deferred revenue (Note 7)	<u>159,188</u>	<u>179,410</u>
	792,915	855,802
Fund balances		
Invested in equipment	-	4,418
Unrestricted	350,756	362,150
Restricted	<u>7,000</u>	<u>7,000</u>
	357,756	373,568
	<u>\$1,150,671</u>	<u>\$1,229,370</u>

Commitments (Note 5)

On behalf of the Board

Signed by:

 _____ President
 25E9936869624F5...

DocuSigned by:

 _____ Treasurer
 90D5F733B2C24DE...

See accompanying notes to the financial statements.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Statement of cash flows

Year Ended March 31	2024	2023
Increase (decrease) in cash and cash equivalents		
Operating		
Deficiency of revenue over expenses	\$ (15,812)	\$ (168,121)
Amortization of capital assets	4,418	2,210
Net change in non-cash working capital	<u>(143,685)</u>	<u>131,118</u>
	(155,079)	(34,793)
Investing		
Purchase of equipment	<u>-</u>	<u>(1,550)</u>
Net decrease cash and cash equivalents	(155,079)	(36,343)
Cash and cash equivalents, beginning of year	<u>764,496</u>	<u>800,839</u>
Cash and cash equivalents, end of year	<u>\$ 609,417</u>	<u>\$ 764,496</u>

See accompanying notes to the financial statements.

United Way/Centraide (Central N.B./ Région du Centre du N.B.) Inc.

Notes to the financial statements

March 31, 2024

1. Purpose of the Organization

The purpose of the United Way/Centraide (Central N.B./Région du Centre du N.B.) (the "Organization") is to improve lives and build community by engaging individuals and mobilizing collective action. The Organization raises funds which are provided to various registered Canadian charities based upon donor designation and needs identified by the community. The Organization is incorporated under the New Brunswick Companies Act as a not-for-profit organization and is exempt from tax under paragraph 149(1)(1) of the Income Tax Act.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue and expenses

Revenue

Revenue from campaign donations is recorded on an accrual basis. Campaign revenue is recognized for amounts pledged but not received in the period the pledges are made. Revenue from external program support is recorded using the deferral method and only recognized once the allocation of the funds have been approved by the Board. Investment income is recognized on an accrual basis, as it is earned.

The Organization records revenue from bequests when the proceeds are received and it has been determined that any conditions attached to the bequests are acceptable to the Organization.

Expenses

Expenses are recorded on an accrual basis and are charged to three functional areas of the Organization: administrative, campaign and community programs.

Administrative expenses are incurred to operate the Organization and its programs in a cost-effective manner while maximizing all opportunities to further the Organization's purpose. The Organization allocates all of its administrative expenses to the other areas using the method disclosed in Note 4 to the financial statements.

Community investments (allocations) to partner and non-partner agencies, as well as donor options paid by other United Ways-Centraides are charged directly to community programs and are recognized when the Board has authorized the allocations recommended by the Allocation Committee.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of twelve months or less.

Capital assets

Capital assets are amortized on a straight line basis over five years. One half of the rate of amortization is used in the year of acquisition.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the financial statements
March 31, 2024

2. Summary of significant accounting policies (continued)

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- pledges receivable
- payables and accruals

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Financing fees and transaction costs on financial instruments subsequently measured at fair value are expensed as incurred.

The Organization subsequently measures all of its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment.

Financial assets measured at cost or amortized cost less any reduction for impairment includes cash and cash equivalents, receivables, and pledges receivable. Financial liabilities measured at amortized cost include payables and accruals.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions that the Organization may undertake in the future. These estimates and assumptions may affect the amount of assets and liabilities presented as at the reporting date and the reported amount of revenue and expenses during the fiscal period. Significant estimates in the financial statements include collection estimates pertaining to pledges receivable and resource deployment estimates to assist in allocating administrative expenses. Actual results may differ from the estimates and assumptions used.

3. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	2024 Net Book Value	2023 Net Book Value
Computer and office equipment	<u>\$ 37,907</u>	<u>\$ 37,907</u>	<u>\$ -</u>	<u>\$ 4,418</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the financial statements
March 31, 2024

4. Expense allocation

The Organization allocates its administrative costs to other functional areas: campaign and programs. General costs which do not pertain specifically to any function are considered administrative and are allocated. Administrative costs, summarized on page 11, have been allocated as follows:

Campaign expenses	54%
Program expenses	46%

5. Commitments

The Organization has entered into agreements to lease its premises at minimum lease payments as follows:

2025	\$19,975
2026	\$16,645

6. Bank indebtedness

The Organization has an operating line of credit of \$50,000, none of which was utilized at March 31, 2024 (\$Nil – 2023).

7. Deferred revenue

Deferred revenue is comprised of the following:

	<u>2024</u>	<u>2023</u>
Food for All N.B.	\$ 80,926	\$ 78,192
Nackawic community funds	12,985	22,708
Student Investment Committee – RBC	-	25,000
Community Services Recovery Fund revenue – Unused portion	65,277	53,510
Total	<u>\$ 159,188</u>	<u>\$ 179,410</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the financial statements
March 31, 2024

8. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis describes the Organization's risk exposures and concentrations at March 31, 2024:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is subject to credit risk through its pledges receivable since failure of the parties to fulfil their pledges could result in significant financial losses for the Organization.

Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due. The Organization is exposed to this risk mainly in respect of its payables and accruals. The Organization meets its liquidity requirements by preparing and monitoring forecasts of cash flows from operations and maintaining an operating credit line of \$50,000.

9. Transparency, accountability and financial reporting

The Organization follows the reporting guidelines as outlined in its membership agreement with United Way of Canada – Centraide Canada. As part of these guidelines, each member calculates fundraising and allocation ratios. These ratios are summarized as follows:

	<u>2024</u>	<u>2023</u>
Campaign ratio		
Total revenue	\$ 1,979,828	\$ 1,322,297
Add: provision for uncollectible pledges	50,713	42,841
Total revenue for campaign	<u>\$ 2,030,541</u>	<u>\$ 1,365,138</u>
Direct campaign expenses (page 13)	\$ 206,684	\$ 209,187
Allocation of administrative expenses (page 11)	60,020	63,052
Total campaign expenses	<u>\$ 266,704</u>	<u>\$ 272,239</u>
Ratio	13.1%	19.9%

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the financial statements
March 31, 2024

10. Government of Canada Workplace Charitable Campaign Expenses

Included within campaign expenses, detailed on page 13, are campaign expenses that relate directly to the Government of Canada Workplace Charitable Campaign Expenses. These directly attributable expenses are as follows:

	<u>2024</u>	<u>2023</u>
Audit and accounting	\$ 2,373	\$ 2,405
Campaign expenses and supplies	4	16
Computer services	1,292	1,295
Dues and fees	29	24
Insurance	442	343
Interest and bank charges	920	876
Legal fees	350	-
Occupancy	5,322	4,336
Office and printing	826	874
Postage	245	132
Publicity	-	78
Salaries and wages	27,375	24,381
Service contracts	195	101
Telephone and utilities	1,552	1,348
Training	6	-
Translation	182	-
Travel and conferences	140	91
	<u>\$ 41,253</u>	<u>\$ 36,300</u>

11. Subsequent events

Subsequent to year end, the Organization's Board has also been in discussions with other United Ways in the region regarding unification, in order to increase its capacity to positively impact communities across the Maritime provinces. The final vote occurred on May 29, 2024 and the Organization's Membership voted to unify.

12. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Schedule of administrative expenses

Year Ended March 31 **2024** **2023**

Amortization	\$ 4,418	\$ 2,210
Audit and accounting	15,643	18,059
Computer services	8,514	9,722
Dues and fees	190	184
Employee benefits	4,657	3,739
Insurance	2,916	2,574
Interest and bank charges	2,194	2,854
Legal fees	2,308	-
Occupancy	35,082	32,554
Office and printing	4,343	6,189
Postage	1,290	990
Salaries and wages	16,759	16,752
Service contracts	1,284	760
Telephone and utilities	9,493	9,239
Training	27	-
Travel and conferences	560	370
United Way Atlantic Conference	-	1,267
United Way Atlantic Regional Fee	455	9,300
United Way National Conference	<u>1,015</u>	<u>-</u>
	\$ 111,148	\$ 116,763
Allocation to campaign expenses (Note 4)	<u>\$ 60,020</u>	<u>\$ 63,052</u>
Allocation to program expenses (Note 4)	<u>\$ 51,128</u>	<u>\$ 53,711</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Schedule of community investments (allocations)

Year Ended March 31

2024

2023

Community investments (allocations)

12 Neighbours Community Inc.	\$ 18,064	\$ 19,740
Ability New Brunswick Inc.	29,636	25,666
Adult Literacy Fredericton	15,996	13,996
AIDS New Brunswick	-	(16,600)
Autism Connections Fredericton	4,340	5,000
Big Brothers-Big Sisters Association Inc.	8,440	14,146
Building Safer Communities	133,923	-
Canadian National Institute for the Blind	-	9,892
Capital Region Mental Health and Addictions Association	17,561	24,336
CHIMO Helpline	30,004	35,004
Chipman Youth Centre Inc.	12,996	10,000
Community Service Recovery Fund	396,065	-
Easter Seals New Brunswick	7,018	8,778
Elementary Literacy	-	9,996
Family Enrichment and Counselling Services	37,996	41,000
Fredericton Boys and Girls Club	26,448	26,524
Fredericton Community Kitchens	17,810	-
Fredericton Homeless Shelters	18,754	16,039
Fredericton Public Library	20,000	2,180
Gaia Project	6,504	12,500
Habitat for Humanity Fredericton Area	18,133	8,216
Inclusion New Brunswick Inc.	9,844	14,852
Jobs Unlimited	14,900	24,000
John Howard Society	44,208	60,004
Liberty Lane	17,354	17,577
Meals on Wheels	19,396	21,496
Nackawic and Area Investment	26,585	28,337
Neil Squire Society	5,000	5,000
New Brunswick Youth Orchestra	10,004	20,006
Opal Family Services	10,866	33,196
Oromocto Helpline/Food Bank	11,996	9,650
Partners for Youth	7,448	7,496
Sexual Violence New Brunswick	20,004	14,896
Sunbury West Headstart	3,000	2,000
United for Literacy	5,000	-
Woodstock First Nation	4,000	5,000
Youth in Transition	24,996	25,004
	<u>1,054,289</u>	<u>554,927</u>
Donor options partner agencies	<u>17,329</u>	<u>26,784</u>
Total	<u>\$ 1,071,618</u>	<u>\$ 581,711</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Schedule of campaign expenses**

Year Ended March 31	2024	2023
Campaign expense and supplies	\$ 25,510	\$ 22,030
Employee benefits	17,494	17,103
Interest and bank charges	3,872	3,723
Centrally coordinated campaign processing fees	14,531	18,725
Office and printing	1,103	376
Postage	323	-
Publicity	-	588
Salaries and wages	141,544	145,449
Telephone and utilities	737	884
Training	10	-
Translation	1,200	-
Travel and conferences	<u>360</u>	<u>309</u>
	<u>206,684</u>	<u>209,187</u>
Allocation of administrative expenses (page 11)	<u>60,020</u>	<u>63,052</u>
Total campaign expenses	<u>\$ 266,704</u>	<u>\$ 272,239</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Schedule of community investments and program expenses
Year Ended March 31 2024 2023

Allocation and Designations		
Allocations to partner agencies (community investments) (page 12)	\$ 1,071,618	\$ 581,711
Donor option to non-partner agencies	103,042	77,576
Donor options paid by other United Ways-Centraides	<u>23,118</u>	<u>23,243</u>
	1,197,778	682,530
Program expenses		
Building Safer Communities program expenses	65,431	-
Computer services	6,747	4,098
Employee benefits	20,281	20,720
Interest and bank charges	75	-
National agency expenses - United Way Canada	12,725	21,178
Office and printing	149	475
Program funding	23,628	40,911
Publicity	576	792
Salaries and wages	138,753	165,914
Translation	791	575
Travel and conferences	1,602	1,192
Training	<u>155</u>	<u>-</u>
	<u>1,468,691</u>	<u>938,385</u>
Allocation of administrative expenses (page 11)	<u>51,128</u>	<u>53,711</u>
Total program expenses	<u>\$ 1,519,819</u>	<u>\$ 992,096</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Schedule of Food For All N.B. Inc. expenses**

Year Ended March 31	2024	2023
Program expenses		
Audit and accounting	\$ 2,761	\$ 4,659
Computer services	4,441	4,789
Conference and meetings	7,347	3,920
Dues and fees	425	150
Employee benefits	23,967	20,019
Occupancy	9,675	9,675
Interest and bank charges	6	31
Office and printing	4,466	3,335
Postage	-	103
Program expenses	-	86
Publicity	-	40
Salaries and wages	149,943	149,993
Service contracts	13,758	14,527
Telephone and utilities	530	325
Training	260	860
Translation	2,041	12,662
Travel and conferences	-	909
	<u> </u>	<u> </u>
Total Food For All N.B. Inc. expenses	\$ 219,620	\$ 226,083