



2019 - 2020
ANNUAL REPORT





Sheri Benson
CEO

LOCAL LOVE IN A GLOBAL CRISIS

AGMs and annual reports typically look back over the previous year and highlight an organizations' accomplishments, big and small, describe challenges overcome, and those that remain to be tackled with new strategies for the year ahead. And annual reports serve to communicate results and impact delivering on an organization's commitment to being transparent and accountable to its stakeholders and the broader community.

But what if the biggest challenge faced by an organization, perhaps in its history, happened in one month: March 2020.

The declaration of a global pandemic in March 2020 has demanded individuals, governments, businesses and organizations, including United Way of Saskatoon and Area, to respond and react to a public health emergency of a magnitude most of us have never witnessed in our lifetime.

The pandemic has, with the focus of a laser beam, revealed what is not working in our communities: growing inequality, failures in caring for the most vulnerable, systemic racism, and the legacy of colonialism.

When we begin to recover and rebuild, post-pandemic, what will United Way be called to do?

Last year, because of the generosity of donors, United Way revenue stabilized. United Way was well-positioned to respond and move resources out quickly to help. Front line agencies were supported, and we were able to work collectively as a community supporting the health and welfare of those most vulnerable in our community.



David Fisher
Board Chair

STRONGER COMMUNITIES #UNITEDAPART

It is because of the forethought of volunteers, community leaders, and donors that 211 Saskatchewan was there for all of us. When we called for help, we heard a caring and knowledgeable voice at the other end who helped us navigate a new reality; to find the help we needed.

It is because of relationships built we were able to quickly pivot to get hygiene supplies and groceries delivered; helping to keep more of us safe and protect our collective public health.

And, it is because of committed steadfast leadership, unique partnerships, and the

generosity of donors that those most vulnerable in our community had homes and support.

United Way's ability to act quickly, to provide leadership, and to partner post-pandemic will be because of the generosity of donors and the compassion and skill of agency partners on the front lines. It is also because of the respectful and trusting local relationships with others in our community, and the volunteer leadership and staff team at United Way who are ready to tackle what lies ahead.

In this coming year, United Way will be called to do more, perhaps more than we ever have, in our history.

Let us tackle #UNIGNORABLE issues in our community together and continue our work to meet challenges, #UnitedApart.

A handwritten signature in cursive script that reads "Benson".

Sheri Benson
Chief Executive Officer

A handwritten signature in cursive script that reads "Fisher".

David Fisher
Board Chair

David Fisher

Board Chair
Executive Director,
Concentus Citizenship Education Foundation

Dan Brown

Board Vice Chair
Managing Partner,
Canada, Boyden

Lee Braaten

Treasurer
Managing Partner,
PwC

Sheri Benson

Chief Executive Officer,
United Way of Saskatoon & Area

Shauna Wilkinson

Associate Vice President,
Talent Management,
Federated Co-operatives Limited

Darla Deguire

Prairie Regional Director,
Canadian Labour Congress

Anna Tavares

Director of Strategy,
Vendasta Technologies

Myrna Hewitt

Retired Executive
Affinity Credit Union

Luke Hansen

Accountant,
Virtus Group LLP

Kara Leftley

Human Resources Advisor,
Conexus Credit Union

Dale Markling

Staff Representative,
Grain & General Services Union

Luke Muller

Director of External Engagement,
University Library,
University of Saskatchewan

Crystal Petryk

Clinical Social Worker,
Saskatchewan Health Authority

Daryl Schatz

Regional Director,
Justice Canada

David Waugh

Chief Executive Officer,
North Atlantic Potash Inc.

Mary Donlevy-Konkin

Senior Council,
McKercher LLP

EXECUTIVE:

Chair: David Fisher

Vice Chair: Dan Brown

Treasurer: Lee Braaten

Chief Executive Officer: Sheri Benson

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David Fisher
Kara Leftley
Dale Markling
Anna Tavares

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Mary Donlevy-Konkin
David Fisher
Crystal Petryk
David Waugh
Shauna Wilkinson

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Lee Braaten
Luke Muller

LABOUR ADVISORY COMMITTEE

Darla Deguire
Dale Markling



I am pleased to report on the 2019-2020 financial highlights of United Way of Saskatoon and Area (United Way) for the year ending March 31, 2020.

Last year, our donors and partners showed their local love for their community and through these acts United Way raised \$4.09M of revenue which is consistent with the previous year. A special thank you to our fundraising team of employees and volunteers for maintaining our revenue levels!

UNITED WAY INVESTMENTS

United Way proudly invested \$2.32M locally into programs and initiatives focused on kids, community and poverty. This significant investment will positively impact the lives of Saskatoon and area's most vulnerable people and work to create change for the entire community. Some highlights include:

- Over \$628K directly into local organizations and service providers whose work in the community helps change lives on a daily basis.

- Over \$462K was allocated to the Journey Home housing first program which helps Saskatoon's most chronically homeless citizens have been given housing and offered supportive services delivered by Saskatoon Crisis and Intervention Services.
- Over \$132K was invested into 211 Saskatchewan which expanded its services in June 2018 to include phone support, texting and online web chat; all enabling the province to be better connected to the support they are seeking, in a way that works for them.
- Over \$44K plus significant staff resources was invested into six Summer Success camps in partnership with Greater Saskatoon Catholic Schools.

Above and beyond the \$2.32M community investment highlighted above, United Way has made significant future commitments as at March 31, 2020 from the community investment reserve totaling \$1,105,000 which includes Journey Home (\$462,000), Community Initiatives Fund (\$443,000), Investment in 211 Saskatchewan (\$150,000) and Summer Success (\$50,000).

During the 2019-20 fiscal year, United Way has continued to monitor its cash flows for the purpose of making stable and reliable investment decisions for its stakeholders. As a result of this approach, we enter this unprecedented period with the healthiest balance sheet we have had in recent years.

Thank you to everyone who has impacted the work of United Way. Thank you as well to Dean Lucier for his extra efforts in our finance and accounting function this past year, Sheri Benson for her overall leadership and KPMG for their service and support throughout the audit process.

Lee Braaten, FCPA, FCA

Treasurer, United Way Board of Directors

Financial Statements of

**UNITED WAY OF
SASKATOON AND AREA**

And Independent Auditors' Report thereon

Year ended March 31, 2020



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INDEPENDENT AUDITORS' REPORT

To the Members of United Way of Saskatoon and Area

Opinion

We have audited the financial statements of United Way of Saskatoon and Area (the Entity), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of revenue and expenses for the year then ended
- the statement of changes in net assets 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, 2020, 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 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Saskatoon, Canada

May 28, 2020

UNITED WAY OF SASKATOON AND AREA


Statement of Financial Position


March 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,589,276	\$ 1,311,063
Short-term investments	200,000	-
Pledges receivable (note 2)	1,283,929	1,243,747
Accounts receivable	51,099	29,169
Prepaid expenses	54,314	73,792
	<u>3,178,618</u>	<u>2,657,771</u>
Investment in 211 Saskatchewan (note 3)	36,431	28,953
Capital assets (note 4)	43,144	49,775
	<u>\$ 3,258,193</u>	<u>\$ 2,736,499</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 110,580	\$ 103,897
Allocations committed to agencies (note 6)	570,000	693,498
Deferred revenue (note 5)	323,715	291,191
	<u>1,004,295</u>	<u>1,088,586</u>
Net assets:		
Operating reserve	445,981	505,830
Community investment reserve (note 1j and 12)	1,611,139	932,000
Capital replacement reserve	153,634	160,308
Invested in capital assets	43,144	49,775
	<u>2,253,898</u>	<u>1,647,913</u>
Commitments (note 3 and 7)		
	<u>\$ 3,258,193</u>	<u>\$ 2,736,499</u>

See accompanying notes to the financial statements.

Approved on behalf of the Board:





Director

Director

UNITED WAY OF SASKATOON AND AREA

Statement of Revenue and Expenses

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Contributions and pledges	\$ 3,553,800	\$ 3,660,117
Funds transferred from other United Way organizations	178,962	220,894
Gross campaign revenue	3,732,762	3,881,011
Less provision for uncollectible pledges	(77,560)	(164,516)
Net campaign revenue	3,655,202	3,716,495
Other revenue:		
Other (note 8)	364,474	263,633
Grants	48,684	36,216
Interest	24,796	18,227
Total revenue	4,093,156	4,034,571
Fundraising expenses (schedule 2)	1,169,620	1,143,139
Net revenue available for allocations and programs	2,923,536	2,891,432
Allocations and programs:		
Allocations to agencies	627,650	468,350
Community services and initiatives (schedule 1)	1,377,473	1,270,751
Donor directed giving (note 9)	312,428	340,458
	2,317,551	2,079,559
Excess of revenue over expenses	\$ 605,985	\$ 811,873

See accompanying notes to the financial statements

UNITED WAY OF SASKATOON AND AREA

Statement of Changes in Net Assets

Year ended March 31, 2020, with comparative information for 2019

March 31, 2020	Invested in Capital Assets	Community Investment Reserve	Capital Replacement Reserve	Operating Reserve	Total
Balance, beginning of year	\$ 49,775	\$ 932,000	\$ 160,308	\$ 505,830	\$ 1,647,913
Excess of revenue over expenses	(12,971)	-	-	618,956	605,985
Purchase of capital assets	6,340	-	-	(6,340)	-
Utilization of (transfer to) reserves	-	679,139	(6,674)	(672,465)	-
Balance, end of year	\$ 43,144	\$ 1,611,139	\$ 153,634	\$ 445,981	\$ 2,253,898

March 31, 2019	Invested in Capital Assets	Community Investment Reserve	Capital Replacement Reserve	Operating Reserve	Total
Balance, beginning of year	\$ 34,573	\$ -	\$ 190,508	\$ 610,959	\$ 836,040
Excess (Deficiency) of revenue over expenses	(17,675)	-	-	829,548	811,873
Purchase of capital assets	32,877	-	-	(32,877)	-
Utilization of (transfer to) reserves	-	932,000	(30,200)	(901,800)	-
Balance, end of year	\$ 49,775	\$ 932,000	\$ 160,308	\$ 505,830	\$ 1,647,913

See accompanying notes to the financial statements.

UNITED WAY OF SASKATOON AND AREA

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used for):		
Operating activities:		
Excess of revenue over expenses	\$ 605,985	\$ 811,873
Items not involving cash:		
Amortization of capital assets	12,971	17,675
Investment in 211 Saskatchewan (note 3)	132,522	81,020
Change in non-cash operating working capital:		
Pledges receivable	(40,182)	92,443
Accounts receivable	(21,930)	(1,094)
Prepaid expenses	19,478	(12,417)
Accounts payable and accrued liabilities	6,683	(5,792)
Allocations committed to agencies	(123,498)	(763,002)
Deferred revenue	32,524	(36,455)
	624,553	184,251
Investing activities:		
Investment in 211 Saskatchewan (note 3)	(140,000)	(75,000)
Purchase of capital assets	(6,340)	(32,877)
Purchase of short term investments	(200,000)	-
	(346,340)	(107,877)
Increase in cash and cash equivalents	278,213	76,374
Cash and cash equivalents, beginning of year	1,311,063	1,234,689
Cash and cash equivalents, end of year	\$ 1,589,276	\$ 1,311,063

See accompanying notes to the financial statements.

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

United Way of Saskatoon and Area (“United Way”) is incorporated without share capital as a non-profit organization under the laws of the Province of Saskatchewan. Its mission is to improve lives and build community by engaging individuals and mobilizing collective action.

As a registered charitable organization under the Income Tax Act (Canada), United Way is exempt from income taxes and is able to issue charitable donation receipts for income tax purposes.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for not-for-profit organizations in Part III of the Chartered Professional Accountants Canada Handbook.

(a) Revenue recognition:

United Way follows the deferral method of accounting for campaign revenue. Non-designated campaign contributions are recognized as revenue in the period the contribution is received or receivable. A provision for uncollectible pledges is recorded to reduce pledges receivable and revenue.

Campaign contributions where the donor has directed that the funds be allocated to a registered charity are initially recorded as deferred revenue. Upon payment of the funds to the registered charity, the payment is recognized as an expense and the contribution is recognized as revenue. Administration fees related to donor directed contributions are recognized in the period the payment is made to the registered charity.

Grants and externally restricted contributions are recognized as revenue in the year which the related expenses are recognized. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized as revenue in that subsequent period.

Interest revenue is recognized as revenue when earned. Other revenue including revenue from fees, contracts and registration fees are recognized when the services are provided.

(b) Cash and cash equivalents and short-term investments:

Cash and cash equivalents include cash on hand and short-term investments held at financial institutions which are highly liquid with original maturities of less than three months. Any investments with a period of maturity over 3 months but within 12 months are classified as short-term investments.

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(c) Pledges receivable:

Contribution pledges are recorded as receivable when committed and allowances are provided for amounts estimated to be uncollectible.

(d) Joint projects:

The investment in 211 Saskatchewan which is jointly owned and controlled by United Way of Saskatoon and Area and United Way of Regina is accounted for using the equity method.

(e) Capital assets:

Capital assets are recorded at cost. Repairs and maintenance costs are expensed. When a capital asset no longer contributes to United Way's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized over their estimated useful lives using the following methods and annual rates:

Asset	Method	Rate
Furniture and fixtures	Declining balance	10%-20%
Computer equipment	Straight-line	20%
Computer software	Straight-line	20%
Leaseholds	Straight-line	Term of lease

Capital assets are not subject to amortization until they are substantially complete and available for their intended use.

(f) Donated goods and services:

Goods and services contributed to United Way to be consumed in operations are not recorded as revenue or expenses due to the difficulty of determining the fair value.

(g) Measurement uncertainty:

The preparation of 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 amount of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the provision for uncollectible pledges, accrued liabilities and the allocation of operating expenses. Actual results could differ from these estimates.

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(h) 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 recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. United Way has not elected to carry any such financial instruments 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.

With respect to financial assets measured at cost or amortized cost, United Way recognizes in excess of revenue over expenses an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in excess of revenue over expenses in the period the reversal occurs.

(i) Allocation of operating expenses:

Operating expenses are incurred to support functional areas and are allocated to fundraising and community services and initiatives expenses based on a time study method. Following this method, operating expenses are allocated as follows:

	2020	2019
Fundraising expenses	71%	70%
Community services expenses	29%	30%

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(j) Restriction on net assets:

The operating reserve represents funds that the Board of Directors has internally restricted to be used by United Way in periods of financial uncertainty. Pursuant to United Way's internal policies, the operating reserve is to be maintained at an amount of 10%-12% of prior year net campaign revenue. The policy requires that 80% of the reserve be funded by way of cash or other liquid short-term investments.

The community investment reserve represents funds that the Board of Directors has internally restricted to be used with respect to community investment and building for the future through United Way programs. The specific use of the reserve is at the discretion of the Board of Directors. There are two components to the community investment reserve. The first component is the amount of \$1,105,000 that has been committed for various community investment activities (note 12). The second component is the amount of \$506,139 that has been set aside as a source of stabilization for the United Way to carry out its general mandate.

The capital replacement reserve represents funds that the Board of Directors has internally restricted for the replacement of capital assets.

Equity in capital assets represents the unamortized cost of capital assets. Adjustments to the reserve are made for additions, disposals and amortization of capital assets.

(k) New accounting standard:

On January 1, 2019, the Organization adopted the following standard as issued by the Canadian Accounting Standards Board:

Section 4433 Tangible capital assets held by not-for-profit organizations, which directs organizations to apply the accounting guidance section of Section 3061, Property Plant and Equipment in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a non-reversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components.

Adoption of this standard has not resulted in any changes to the financial statements or notes.

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

2. Pledges receivable:

	2020	2019
Pledges receivable	\$ 1,544,929	\$ 1,502,747
Allowance for uncollectible pledges receivable	(261,000)	(259,000)
	\$ 1,283,929	\$ 1,243,747

3. Investment in 211 Saskatchewan:

211 Saskatchewan is a database which allows internet, text and phone users to access a full range of community, social, government and health services within the province of Saskatchewan.

United Way has an agreement with United Way Regina relating to 211 Saskatchewan and has agreed to pay 50% of all annual costs, associated with the development and operation of the database. United Way's share of these costs is expected to approximate \$150,000 per year. The agreement is in effect until October 31, 2020 or until such time it is extended.

United Way's contributions and share of net expenses of 211 Saskatchewan for the period from April 1, 2019 to March 31, 2020 are summarized as follows:

	2020	2019
Balance, beginning of year	\$ 28,953	\$ 34,973
Contributions	140,000	75,000
Share of net expenses (loss)	(132,522)	(81,020)
Balance, end of year	\$ 36,431	\$ 28,953

4. Capital assets:

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Furniture and fixtures	\$ 71,401	\$ 56,064	\$ 15,337	\$ 19,252
Computer equipment	129,771	101,964	27,807	30,523
Computer software	108,216	108,216	-	-
Leaseholds	32,745	32,745	-	-
	\$ 342,133	\$ 298,989	\$ 43,144	\$ 49,775

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

5. Deferred revenue:

	2020	2019
Donor directed giving to charities	\$ 229,612	\$ 193,269
Program grants	67,615	87,922
Future year's campaign	26,488	10,000
	\$ 323,715	\$ 291,191

6. Obligations under funding agreements:

(i) United Way entered into multi-year funding agreements (2-year terms) with 11 agencies. Under these funding agreements, United Way's allocation commitments, subject to available financial resources from campaign contributions are \$570,000 between April 1, 2020 and March 31, 2021. Amounts to be allocated under the multi-year funding agreements for the period of April 1, 2021 to March 31, 2022 have not yet been determined and are subject to available financial resources from upcoming campaign contributions.

7. Commitments:

United Way is committed to future payments under an operating lease for office space through October 31, 2020 and an operating lease for equipment through June 30, 2021.

Future minimum payments, by year and in aggregate, under these commitments, consisted of the following at March 31, 2020:

2021	60,931
2022	929
	\$ 61,860

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

8. Other revenue:

	2020	2019
Wichitowin Aboriginal Engagement Conference (schedule 1)	\$ 279,764	\$ 211,803
Other	84,710	51,830
	\$ 364,474	\$ 263,633

9. Donor directed giving:

Campaign contributions include donor directed giving in the amount of \$341,080 (2019 - \$367,983) of which \$312,428 (2019 - \$340,458) (net of administration fees) has been paid to registered charities in Canada pursuant to donor requests.

10. Financial risk management:

The Organization's financial risks are as follows:

a) Interest rate risk:

United Way is exposed to interest rate risk arising from fluctuations in interest rates on amounts invested in interest bearing cash and cash equivalents accounts with interest based on prime rates.

b) Credit risk:

United Way is exposed to credit risk to the extent that its donors may experience financial difficulty and would be unable to meet their pledge obligations. However, United Way has a large number of donors, which mitigates the concentration of credit risk. United Way assesses, on a continuous basis, pledges receivable and provides for any amount that is not collectible in the allowance for uncollectible pledges receivable.

c) Liquidity risk:

Liquidity risk is the risk that United Way will be unable to fulfill its obligations on a timely basis or at a reasonable cost. United Way manages its liquidity risk by monitoring its operating requirements. United Way prepares and monitors a budget to ensure it has sufficient funds to fulfill its obligations. Cash flow forecasts are regularly monitored by the Board of Directors. United Way has access to a revolving demand credit facility up to a maximum of \$100,000 which can be utilized for general working capital purposes; however, no funds have been drawn to date. Trade accounts payable and accrued liabilities are generally repaid within 30 days.

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

10. Financial risk management (continued):

c) Liquidity risk (continued):

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The current challenging economic climate may lead to adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct impact on the operating results and financial position of the business in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the business is not known at this time.

11. Transparency, accountability and financial reporting:

United Way 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:

	2020	2019
Fundraising ratio:		
Total revenue	\$ 4,093,156	\$ 4,034,571
Add: provision for uncollectible pledges	77,560	164,516
Total revenue for fundraising	4,170,716	4,199,087
Direct fundraising expenses (schedule 2)	647,480	599,913
Allocation of operating expenses (schedule 3)	522,140	543,226
Total fundraising expenses	\$ 1,169,620 28.0%	\$ 1,143,139 27.2%

UNITED WAY OF SASKATOON AND AREA

Notes to the Financial Statements

Year ended March 31, 2020

12. Community Investment Reserve:

The community investment reserve is comprised as follows:

	2020	2019
Journey Home (i)	\$ 462,000	\$ 462,000
Community Initiatives Fund (ii)	443,000	50,000
Investment in 211 Saskatchewan (note 3)	150,000	150,000
Summer Success	50,000	50,000
	\$ 1,105,000	\$ 712,000
Stabilization reserve	506,139	220,000
Total	\$ 1,611,139	\$ 932,000

(i) United Way has agreed to provide up to \$462,000 between April 1, 2020 and March 31, 2021 of grant funding to Saskatoon Crisis Intervention Service ("SCIS"). This will allow SCIS to continue to provide services under the Journey Home Program where homeless individuals with acute needs will be housed or re-housed utilizing the Housing First Model.

(ii) United Way has agreed to provide up to \$443,000 between April 1, 2020 and March 31, 2021 of Community Initiatives Fund grant funding. The focus of United Way of Saskatoon and Area Community Initiatives Fund is intended to support other non-profit organizations in Saskatoon & Area to develop and execute programs and services aligned with United Way's Community Investment strategy.

Schedule 1

UNITED WAY OF SASKATOON AND AREA

Schedule of Community Services and Initiatives

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Journey Home	\$ 462,000	\$ 462,000
Wicihitowin Aboriginal Engagement Conference	289,764	221,803
211 Saskatchewan (note 3)	132,522	81,020
Salaries and benefits	123,380	146,793
Community building initiatives	66,919	25,540
Summer Success Literacy Program	44,774	39,069
United Way of Canada - membership	36,531	46,574
Meetings and travel	6,185	4,624
Office equipment and supplies	1,517	2,135
Professional development and recruitment	613	69
Capacity building	-	8,313
	1,164,205	1,037,940
Allocation of operating expenses (schedule 3)	213,268	232,811
	\$ 1,377,473	\$ 1,270,751

Schedule 2**UNITED WAY OF SASKATOON AND AREA****Schedule of Fundraising Expenses**

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Salaries and benefits	\$ 488,961	\$ 409,232
Promotion, public relations and special events	92,087	126,599
Service charges	41,208	34,015
Meetings and travel	12,708	14,495
Office equipment and supplies	7,554	5,802
Professional fees	4,472	8,754
Professional development and recruitment	490	1,016
	647,480	599,913
Allocation of operating expenses (schedule 3)	522,140	543,226
	\$ 1,169,620	\$ 1,143,139

Schedule 3**UNITED WAY OF SASKATOON AND AREA****Schedule of Operating Expenses**

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Salaries and benefits	\$ 458,194	\$ 499,094
Occupancy	121,329	132,221
Professional fees	66,356	64,120
Transformation strategy	35,934	15,192
Office equipment and supplies	23,425	22,762
Amortization	12,971	17,675
Meetings and travel	7,258	12,900
Service charges	4,410	4,512
Professional development and recruitment	3,316	3,644
Board and governance	2,215	3,917
Total operating expenses before allocation	735,408	776,037
Allocation to fundraising expenses (schedule 2)	(522,140)	(543,226)
Allocation to community services and initiatives (schedule 1)	(213,268)	(232,811)
	\$ -	\$ -

ACTS OF LOCAL LOVE



ENCOURAGE OTHERS

You can show your local love by using your voice, getting informed, and educating your friends, family and co-workers about the growing needs in our community.



VOLUNTEER

Whether you are passionate about improving social conditions or are new to the community and looking for an opportunity to connect, you can show local love by giving your time and getting involved.



DONATE

By donating to United Way, you move families and individuals out of poverty into healthy and sustainable situations; you create opportunities for participation in community initiatives; and you provide children and youth with the means to become successful young adults. Your support makes everything possible.

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