

2022 ANNUAL REPORT



United Way
South Eastern Alberta

utdway.ca



Message from UNITED WAY BOARD

Darren Lole United Way of South Eastern Alberta Board Chair

Another year has passed and as we emerge from the pandemic, the challenges to society continue, with a shaky economy, disturbances in the world that reach and touch every community and challenges that affect the future for all of us moving forward. The message of United Way stays strong, with "Change Starts Here". In Southeastern Alberta, we are striving to invest in programming and looking for opportunities to develop and support our community. Despite the many challenges of 2022, affecting so many people, once again our community has stepped up and supported us, enabling vital programming where needed the most in these trying times. Once again, I send a heartfelt thank you to all our workplace campaigns, the donors, sponsors, supporters, volunteers and ambassadors. "Time flies over us, but leaves its shadow behind." – (Nathaniel Hawthorne). Without you, we could not leave that positive shadow in taking poverty to possibility, striving for healthy communities and ensuring that children have the opportunity to be all that they can be. Change really does start here!

Darren Lole

BOARD OF DIRECTORS

Darren Lole Chair
Aaron Sheard Vice Chair
Laurie Kallenberger Treasurer
Cori Topcliffe Secretary
Aprill Hintz Director
Shane Longley Director
David Brown Director
Jessica Hamel Director
Kelly Bezruchak Director

OUR VISION

Everyone in every community has the opportunity to reach their full potential.

OUR MISSION

To improve lives and build communities by engaging individuals and mobilizing collective action.

OUR VALUES

Our values guide our decision-making and our work:

- Demonstrate integrity and transparency
- Inspire volunteerism
- Endorse collaboration and partnerships
- Provide non-partisan leadership
- Embrace inclusion and equality

SPECIAL RECOGNITION

Volunteerism is key to a healthy community. Volunteers offer their time, their expertise and more importantly their hearts. We appreciate the efforts of people who help make this community a better place to work and live. United Way has a few special events that have become a part of the community. We would like to say thank you to all of the volunteers, without them these events would not exist.

Servus Credit Union CFL Alumni Golf Tournament
Gift Wrap Booth
Spirit of Christmas Feast
Tools for School

STEVE MURPHY FOUNDATION

2022 marked the first year of United Way awarding grants from our Steve Murphy Foundation. Mr. Steven (Steve) Murphy was a self-made entrepreneur who invested in his community of Medicine Hat and Southeastern Alberta. Steve was passionate about business and his community. Steve had a special relationship with the United Way of Southeastern Alberta (UWSEA) and talked often about being a part of positive change in his community. Steve decided to leave a legacy in the hands of the United Way (UWSEA). His wishes were very clear. In the areas specified by him he wished to help his community long after his passing. Steve recognized that the United Way was the best channel to ensure that his wishes were complied with and his community served in his name.

We are so lucky to be able to do this for Mr. Murphy. The following agencies were allocated money from United Way and The Steve Murphy Foundation for programming in South Eastern Alberta.

Be Youth Experts Program
Redcliff Action Society Educational and Recreational Programming
YMCA Community Licenced Camps

2021 CAMPAIGN AWARDS AND VOLUNTEER RECOGNITION

Chairman's Cup for the largest campaign overall. **CF Industries**

Chairman's Choice Award presented to the workplace with the largest increase in employee giving from one year to the next. **Methanex**

Leading the Way is presented to the workplace that has the most employees participating in leadership giving. **CF Industries**

INDEPENDENT AUDITOR'S REPORT

To the Members of
United Way of South Eastern Alberta

Qualified Opinion

We have audited the financial statements of United Way of South Eastern Alberta, which comprise the Statement of Financial Position as at December 31, 2022, and the Statements of Operations, Changes in Net Assets and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2022, and the results of its 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, the Organization derives revenue from fundraising activities, 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 the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2022, current assets as at December 31, 2022 and net assets as at December 31, 2022. Our audit opinion on the financial statements for the year ended December 31, 2022 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 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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

Medicine Hat, Alberta
March 14, 2023

CHARTERED PROFESSIONAL ACCOUNTANT

UNITED WAY OF SOUTH EASTERN ALBERTA

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

ASSETS		2022	2021
CURRENT ASSETS			
Cash	\$	210,506	\$ 270,076
Short-term investments (Note 2)		250,763	271,775
Accounts receivable (Note 3)		187,018	221,336
Interest receivable		3,757	892
Prepaid expenses (Note 4)		8,487	8,692
		660,531	772,771
ENDOWMENT CASH AND INVESTMENT (Note 5)		1,002,465	1,064,446
LONG-TERM INVESTMENTS (Note 6)		55,000	100,000
CAPITAL ASSETS (Note 7)		537,218	536,935
CASH SURRENDER VALUE OF LIFE INSURANCE (Note 8)		28,816	23,219
	\$	2,284,030	\$ 2,497,371
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities (Note 9)	\$	40,448	\$ 32,907
Designated donations payable (Note 10)		15,096	37,030
Deposits		4,200	3,900
Due to agencies		100,000	195,000
Current portion of long-term debt (Note 12)		60,000	-
Current portion of callable debt (Note 11)		70,700	64,200
		290,444	333,037
Callable debt (Note 11)		177,409	248,072
		467,853	581,109
LONG-TERM DEBT (Note 12)		-	60,000
DEFERRED CONTRIBUTIONS RELATING TO CAPITAL ASSETS (Note 13)			
		514	961
		468,367	642,070
NET ASSETS			
INVESTED IN CAPITAL ASSETS		383,595	223,701
ENDOWMENT FUND (Note 14)		1,002,466	1,064,446
UNRESTRICTED		429,602	567,154
		1,815,663	1,855,301
	\$	2,284,030	\$ 2,497,371

LEASE COMMITMENTS (Note 15)

The accompanying notes are an integral part of the financial statements

UNITED WAY OF SOUTH EASTERN ALBERTA

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
REVENUES		
Campaign revenue (Schedule 1)	\$ 444,271	\$ 507,602
Amortization of deferred contributions related to capital assets	447	624
Grants	60	30,549
COVID emergency funding	-	39,735
Gifts-in-kind	-	133
Uncollectible pledges (recovery)	(5,456)	(4,140)
	<u>439,322</u>	<u>574,503</u>
EXPENDITURES		
Program expenses (Note 16)	211,076	302,535
Fundraising expenses (Note 17)	220,356	200,343
	<u>431,432</u>	<u>502,878</u>
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS	<u>7,890</u>	<u>71,625</u>
OTHER		
Interest income	10,934	6,126
Life insurance (Note 18)	5,597	5,603
Rental income (Schedule 2)	(2,079)	6,640
	<u>14,452</u>	<u>18,369</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 22,342</u>	<u>\$ 89,994</u>

The accompanying notes are an integral part of the financial statements



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