

Financial Statements of

**THE UNITED WAY OF SUDBURY
& DISTRICT / CENTRAIDE
SUDBURY ET DISTRICT**

Year ended December 31, 2009



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AUDITORS' REPORT TO THE MEMBERS

We have examined the statement of financial position of **The United Way of Sudbury & District / Centraide Sudbury et District** as at December 31, 2009 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Organization derives most of its revenue from the general public in the form of contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenue over expenses and fund balances.

In our opinion, except for the effect of adjustments, if any, which might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Sudbury, Canada
February 26, 2010

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

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Year ended December 31, 2009

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THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Financial Position

December 31, 2009, with comparative figures for 2008

	2009	2008 (restated - note 9)
Assets		
Current assets:		
Cash	\$ 451,576	\$ 549,833
Temporary investments	532,549	211,244
Pledges receivable - current year's campaign	1,419,279	1,881,508
Pledges receivable - prior year's campaign	78,669	91,605
Prepaid expenses	3,119	2,187
Other accounts receivable	9,124	7,443
	<u>2,494,316</u>	<u>2,743,820</u>
Capital assets:		
Computer equipment and software	122,069	119,445
Less accumulated amortization	<u>105,854</u>	<u>101,872</u>
	16,215	17,573
Restricted assets:		
Funds on deposit (note 2)	24,811	24,811
	<u>\$ 2,535,342</u>	<u>\$ 2,786,204</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 23,095	\$ 21,450
Deferred revenue (note 3)	<u>311,806</u>	<u>311,923</u>
	334,901	333,373
Deferred capital contributions (note 4)	6,594	8,242
Net assets:		
Unrestricted	2,193,847	2,419,778
Externally restricted	<u>-</u>	<u>24,811</u>
	2,193,847	2,444,589
Commitments (note 7)		
	<u>\$ 2,535,342</u>	<u>\$ 2,786,204</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Operations and Changes in Net Assets

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008 (restated - note 9)
Revenue:		
Reported campaign revenue:	\$ 1,833,381	\$ 2,433,034
Add (less):		
United Way of Canada fees	(20,342)	(16,606)
Prior year designated pledges received in the current year	298,841	126,600
Current year designated pledges to be received in the following year	(297,787)	(298,841)
Campaign pledge loss	(65,960)	(90,927)
Campaign revenue for financial reporting purposes	1,748,133	2,153,260
Grants	-	15,479
Amortization of deferred capital contributions	1,648	2,060
Other programs (note 5)	63,732	24,120
Investment income	10,837	20,418
Other income	17,890	3,064
	1,842,240	2,218,401
Expenses:		
Allocations and distribution of funds (Schedule)	1,428,790	1,328,463
Fundraising (Schedule)	329,269	304,764
Community investment (Schedule)	261,303	270,663
Other programs (note 5)	69,637	25,204
Amortization of capital assets	3,983	4,776
	2,092,982	1,933,870
Excess (deficiency) of revenue over expenses	(250,742)	284,531
Net assets, beginning of year	2,444,589	2,160,058
Net assets, end of year	\$ 2,193,847	\$ 2,444,589

See accompanying notes to financial statements.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Statement of Cash Flows

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008 (restated - note 9)
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (250,742)	\$ 284,531
Items not involving cash:		
Amortization of capital assets	3,983	4,776
Amortization of deferred capital contributions	(1,648)	(2,060)
	(248,407)	287,247
Change in non-cash operating working capital:		
Decrease (increase) in pledges receivable - current year's campaign	462,229	(166,743)
Decrease (increase) in pledges receivable - prior year's campaign	12,936	(29,187)
Decrease (increase) in prepaid expenses	(932)	45,455
Decrease (increase) in other accounts receivable	(1,681)	63,476
Increase in accounts payable and accrued liabilities	1,645	23,568
Increase (decrease) in deferred revenue	(117)	180,448
	225,673	404,264
Investments:		
Additions to capital assets	(2,625)	-
Increase in cash position	223,048	404,264
Cash position, beginning of year	785,888	381,624
Cash position, end of year	\$ 1,008,936	\$ 785,888
Cash position is comprised of:		
Cash	\$ 451,576	\$ 549,833
Temporary investments	532,549	211,244
Funds on deposit	24,811	24,811
	\$ 1,008,936	\$ 785,888

See accompanying notes to financial statements.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements

Year ended December 31, 2009

The Organization is incorporated without share capital under the laws of Ontario and its principal activities include the continued financial support to member charitable organizations in the City of Greater Sudbury through public contributions from annual fundraising campaigns. It is a registered charity and is therefore exempt from income tax under Section 149 of the Federal Income Tax Act.

1. Significant accounting policies:

(a) Revenue recognition:

- i) The Organization follows the deferral method for accounting for contributions.
- ii) Non-designated campaign pledges and contributions are recognized on an accrual basis, provided the amounts can be reasonably estimated and collection is reasonably assured.
- iii) Campaign contributions designated by donors are reported as deferred revenue on the statement of financial position until the amounts are paid to the designated organizations, at which time the amount of the campaign contribution is recorded as campaign revenue.
- iv) Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

(b) Capital assets:

Capital assets are recorded at cost. Amortization is provided on the declining-balance basis using the following annual rates:

Asset	Basis	Rate
Furniture and fixtures	Declining-balance	20%
Computer hardware	Declining-balance	20%
Computer software	Declining-balance	33%

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

1. Significant accounting policies (continued):

(c) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the carrying value of capital assets and valuation allowances for pledges receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(d) Investments:

Investments held-to-maturity are recorded at amortized cost since the Organization both positively intends and has the ability to hold to maturity. If the market value of investments becomes lower than cost and this decline in value is considered to be other than temporary, the investments are written down to market value.

Investments for which the Organization has acquired principally for the purpose of selling or repurchasing in the near term, or are part of a portfolio of identified investments that are managed together and for which there is evidence of a recent pattern of short-term profit taking, or are designated at fair value using the fair value option are classified as held-for-trading. These investments are recorded at fair value with changes taken directly to the statement of operations and changes in net assets.

2. Funds on deposit:

	2009	2008
Funds held by the Sudbury Community Foundation:		
Tomorrow Fund	\$ 24,811	\$ 24,811

3. Deferred revenue:

Deferred revenue consists of the following amounts:

- (a) Campaign pledges from donors that are designated to non-member agencies. The pledges are deferred until such time as the funds are received from the donor and paid to the non-member agencies.
- (b) Unexpended government funding that is available to fund future expenses.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

3. Deferred revenue (continued):

The balance of deferred revenue is as follows:

	2009	2008
Designated campaign pledges	\$ 297,787	\$ 298,841
Deferred government funding	14,019	13,082
	\$ 311,806	\$ 311,923

4. Deferred capital contributions:

Deferred capital contributions related to capital assets represent the unamortized balance of grants received for capital assets acquisitions. Details of the continuity of this balance are as follows:

	2009	2008
Balance, beginning of year	\$ 8,242	\$ 10,302
Less amounts amortized to revenue	(1,648)	(2,060)
	\$ 6,594	\$ 8,242

5. Other programs:

Other programs represent projects and programs not specifically related to the Organization's campaign and funded by outside parties. Details of the revenues and expenses of other programs are as follows:

	Outcomes measurement	Leadership Development	Aboriginal Project	Other Programs	Total
Revenue	\$ 44,300	\$ 4,655	\$ 4,535	\$ 11,179	\$ 64,669
Deferred revenue, beginning of year	13,082	-	-	-	13,082
Deferred revenue, end of year	(14,019)	-	-	-	(14,019)
	43,363	4,655	4,535	11,179	63,732
Expenses	(43,363)	(4,268)	(4,788)	(17,218)	(69,637)
Excess (deficiency)	\$ -	\$ 387	\$ (253)	\$ (6,039)	\$ (5,905)

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

6. Designations to non-member agencies:

Designations to non-member agencies represent funds collected by the Organization specifically designated for charities that are not member agencies. During 2009, the designations to non-member agencies amounted to \$177,622 (2008 - \$89,450) and included amounts paid to the following organizations:

Access Aids - Living Well Fund	Centre Victoria
Alexander Public School	Chapleau General Hospital Foundation
All Nations Church	Child Care Plus
All Saints Anglican Church	Children's Aid Society
ALS Society of Ontario	Children's Hospital of Eastern Ontario
Alzheimer's Society Niagara Region	Children's Treatment Centre
Alzheimer's Society Sudbury Chapter	Children's Wish Foundation of Canada
Amnesty International	Christian Children's Fund of Canada
Animal Shelter for Huntsville	Circle of Strength Support Group
Arthritis Society of Sudbury	City of Greater Sudbury Development
Asperger's Society of Ontario	College Boreal Foundation
Autism Ontario - Sudbury & District	Community Bible Chapel
Azilda Baptist Mission	Community Builders
Banque d'aliments Sudbury Food Bank	Community Care Access Centre
Berean Baptist Church	Community Living Greater Sudbury
Bethel Baptist Church	Covenant House
Better Beginnings Better Future	Crohns & Colitis Foundation
Big Sisters Association of North Bay	Dejeuner Scolaire Sudbury Inc.
Brain Injury Association Sudbury & District	Doctors Without Borders
Brain Tumor Foundation of Canada	Down Syndrome Association of Sudbury
Calvin Presbyterian Church - Sudbury	Ducks Unlimited Canada
Cambridge Vineyard Christian Fellowship	Easter Seals Society
Camp Quality	Ed Fleming Memorial Fund
Canada Post Foundation for Mental Illness	Elgin Street Mission (Sudbury)
Canadian Blood Services	Engineers Without Borders
Canadian Breast Cancer Foundation	Espanola District Association for Community Living
Canadian Cancer Society - North Bay	Espanola General Hospital, LTC Facility
Canadian Cancer Society - Ontario	Estaire-Wanup Volunteer Fire Brigade Incorporated
Canadian Cancer Society - Oxford Community	Fibromyalgia Association of SSM & Algoma District
Canadian Cancer Society - Sudbury	Foyer Notre Dame House
Canadian Cystic Fibrosis Sudbury	Girl Guides of Canada
Canadian Diabetes Association - Sudbury	Glad Tidings Tabernacle
Canadian Forces Personnel Support Agency	God's Littlest Angels, Canada
Canadian Hard of Hearing Association	Gospel for Asia
Canadian Mental Health Association	Habitat for Humanity
Care Canada	Harvest Ministries
Catholic Parishes of Onaping Falls & Cartier	Heart & Stroke Foundation

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

6. Designations to non-member agencies (continued):

Histiocytosis Association of Canada	Ontario Foundation for Visually Impaired Children
Holy Redeemer Church	Ontario Lung Association
Huntington's Disease Resource Centre	Ontario March of Dimes
Huntington Society of Canada	Orchard Ministries
Integration Communautaire Chapleau Community Living	Our Lady of Hope Church
International Children's Awareness	Our Lady of Peace
Iris Addiction Recovery for Women	Pairoisse St. Joseph
Jarrett Centre	Parkinson Foundation Canada
Juvenile Diabetes Foundation	Paroisse du Sacre Coeur
Kidney Foundation of Canada	Pet Save
Kids Help Phone / Jeunesse J'Ecoute	Pregnancy Care Centre of Sudbury
Laurentian Hospital – Dialysis Unit	Prostate Cancer Research Foundation of Canada
Laurentian University	Rayside Balfour Minor Hockey Association
Learning Disabilities Association	Ronald McDonald House
Les Oeuvres de la Communaute Jesusest Seigneur	Royal Canadian Legion, Sudbury (Poppy Fund)
Lifewater Canada	Salvation Army
Lupus Canada	Santa Claus Fund Committee
Lupus Ontario - Sudbury	Scouts Canada Sudbury District
M.C.T.V. Lion's Club Christmas Telethon	Sick Kids Hospital
Manitoulin Sudbury Children's Foundation	Slavic Gospel Association of Canada
Mattawa General Hospital	Social Planning Council
Meals on Wheels	SPCA
Mission Partners International	St. Alexander's Church
Montreal Children's Hospital Foundation	St. Andrew's United Church
Mothers Against Drunk Driving - M.A.D.D.	St. Bartholomew's Church
National Capital Children's Oncology	St. John's Church
New Sudbury Pentecostal Church	St. John the Evangelist Church
Nipissing Transition House	St. Justine Hospital Foundation
No Strings Attached Community Band	St. Mark's United Church
North Bay & District Big Brothers Association	St. Mary's Anglican Church
North Bay & District Humane Society	St. Mary's Ukrainian Catholic Church
North Bay Charity	St. Matthew's Evangelical Lutheran Church
North Bay Mayor's Trust Fund	St. Paul Church
North Bay Soup Kitchen	St. Peter's United Church
North Bay SPCA	St. Stanislaus Church
Northeast Mental Health Centre	St. Stephen's on the Hill United Church
Northeastern Ontario Regional Cancer Centre	Ste. Marguerite D'Youville Fidéicommis de Charité
Northern Cancer Research Foundation	Sudbury Action Centre for Youth
Northern Ontario Families of Children with Cancer	Sudbury Community Foundation
One Kids Place Children's Medical Treatment Centre	Sudbury Regional Hospital Foundation

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

6. Designations to non-member agencies (continued):

Sudbury Soup Kitchen	Tori's Buddies Research Fund
Teen Challenge North	Tourette Syndrome Foundation of Canada
Ten Rainbow's Foundation	Trinity United Church - North Bay
Terry McKerrow Cat Scan Operating Fund	Unitarian Universalist Church of North Hatley
The Barbara Turnbull Foundation	University of Toronto
The Children's Bridge Foundation	Valleyview Community Church
The Dr. William R. Pellow Masonic Bursary	War Amps of Canada
The Gathering Place	Warm Hearts Palliative Care Givers
The Janeway Children's Hospital Foundation	Warriors of Hope Breast Cancer Survivors
The Kelly Shires Breast Cancer Snow Run for Trust	West Nipissing General Hospital
The Limestone District School Board Charitable Trust	World Vision
The Mended Hearts	YMCA - North Bay
The Samaritan Centre	

7. Commitments:

The Organization is committed to payments under an operating lease for the premises through 2016 in the total amount of approximately \$155,736. Annual payments are as follows:

2010	\$	22,248
2011		22,248
2012		22,248
2013		22,248
2014		22,248
2015		22,248
2016		22,248
	\$	155,736

8. Financial instruments:

The carrying values of cash, temporary investments, pledges and other accounts receivable, funds on deposit and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Notes to Financial Statements (continued)

Year ended December 31, 2009

9. Change in accounting policy:

Effective January 1, 2009, the Entity adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no significant impact on the financial statements for the year ended December 31, 2009.

Also, effective January 1, 2009, the Entity adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. The impact of the implementation of these standards on the Entity's financial statements is described below:

a) Deferred campaign contributions:

A portion of the Entity's deferred campaign contributions no longer meet the definition of a liability. This change has been applied retroactively and has increased previously reported opening balance of unrestricted net assets by \$2,002,770, decreased revenues by \$96,481, and decreased deferred revenues by \$1,906,289. In the current year, contributions in the amount of \$1,378,441 which would have formerly been deferred, were brought into income.

b) Deferred charges:

The Entity's deferred charges no longer meet the definition of an asset. This change has been applied retroactively and has decreased previously reported opening balance of unrestricted net assets by \$57,669, decreased expenses by \$11,702, and increased deferred revenues by \$45,967. In the current year, charges in the amount of \$48,620 which would have formerly been deferred, were expensed.

c) Prepaid designations:

The Entity's prepaid designations no longer meet the definition of an asset. This change has been applied retroactively and has decreased previously reported opening balance of unrestricted net assets by \$39,194, and decreased expenses by \$39,194. In the current year, there were no amounts which would have formerly been considered prepaid.

d) Designations payable:

The Entity's designations payable no longer meet the definition of a liability. This change has been applied retroactively and has increased previously reported opening balance of unrestricted net assets by \$20,335, decreased expenses by \$27,260, and decreased accounts payable by \$47,595. In the current year charges in the amount of \$96,837 have been reflected as payable at year-end.

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Schedule of Allocations and Distribution of Funds

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008 (restated - note 9)
Member Agency Programs:		
Canadian Red Cross Society of Sudbury	\$ 125,317	\$ 113,488
Brain Injury Association Sudbury & District	-	69
Canadian National institute for the Blind (CNIB)	79,551	77,837
Sudbury Family YMCA	72,294	72,067
Sudbury Action Centre for Youth	70,433	71,151
Centre De Sante Communautaire	60,742	60,925
Learning Disabilities	60,507	60,833
Canadian Mental Health Association	55,446	42,371
Big Sisters of Sudbury	54,298	52,055
John Howard Society of Sudbury	52,234	50,282
Victorian Order of Nurses - Adult Care	47,674	47,553
Sudbury YWCA Genevra House	50,186	41,491
Better Beginnings Better Futures	45,616	44,599
Elizabeth Fry Society, Sudbury Branch	45,207	40,907
The Human League Foundation	44,182	41,826
L'Association des jeunes de la rue-Foyer Notre Dame	41,444	40,221
Maison Vale Inco House	39,198	24,129
St. John Ambulance	39,122	38,598
Iris Addiction Recovery for Women	36,637	38,897
Volunteer Centre	36,000	10,000
Canadian Hearing Society	28,719	25,398
Le Carrefour Francophone de Sudbury Inc.	20,539	20,168
Sudbury Multicultural - Folk Arts Association	20,500	20,500
ICAN	20,210	20,278
Sudbury District Restorative Justice	18,390	18,445
North Shore Search and Rescue	15,636	15,609
Multiple Sclerosis Society	13,489	11,899
Rockhaven	13,000	-
Inner City Home	11,900	11,433
Family Enrichment Centre	10,000	-
Sudbury Women's Centre	7,386	7,395
Art Gallery of Sudbury	7,000	-
Jubilee Heritage Family Resource	5,168	6,263
	1,248,027	1,126,689
Other:		
Designations to non-member agencies (note 6)	177,622	89,450
Goddess	-	31,486
Community Grants Fund	-	44,883
Social Planning Council	-	30,000
Labour Community Service	2,998	4,872
Other	143	1,083
	180,763	201,774
	\$ 1,428,790	\$ 1,328,463

THE UNITED WAY OF SUDBURY & DISTRICT / CENTRAIDE SUDBURY ET DISTRICT

Schedule of Expenses

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008
Fundraising:		
Salaries and employee benefits	\$ 162,716	\$ 173,482
Campaign promotion and supplies	93,240	75,530
Office supplies and general	18,644	17,546
Conference and travel	7,096	7,920
Rent	11,043	7,591
Postage and shipping	9,526	6,575
Professional fees	13,700	5,500
Equipment rental	3,721	3,462
Telephone	3,009	2,773
Insurance	2,730	2,622
Computer services	3,844	1,763
	\$ 329,269	\$ 304,764
Community investment:		
Salaries and employee benefits	\$ 194,050	\$ 203,654
Office supplies and general	24,323	28,407
Rent	10,854	10,800
Conference and travel	5,973	7,051
Utilities	5,876	6,084
Equipment rental	4,002	3,462
Telephone	2,995	2,949
Insurance	2,730	2,622
Computer services	3,290	2,372
Professional fees	5,800	2,200
Postage and shipping	1,410	1,062
	\$ 261,303	\$ 270,663