

United Way of Calgary and Area
2022 Summary of Financial Statements



United Way
Calgary and Area

Message from the President and CEO

Dear United Way supporter,

As spring begins to show itself across the city, it never fails to inspire hope for the future. It's a welcomed change for many, especially since 2022 was not an easy year.

When it seemed like we might be through the worst of the pandemic, inflation was felt across many households in the city, causing issues like financial insecurity, and social isolation.

Young people, families, and communities have also continued to deal with rising mental health concerns, the complexities of substance misuse, and other long-term effects of the pandemic. While the pandemic has changed lives and created a challenging road ahead, United Way hasn't shied away from those challenges. We saw in 2022 that Calgary's spirit of giving was strong and Calgarians continued to come together to help each other.

Our 2022 Community Impact Report shows the true Spirit of Calgary: \$44 million invested in community work, 122 agencies funded, and over 726,000 volunteer hours given. This impact can be felt in our neighbourhoods and inspires deep gratitude. The report celebrates our work in the community and how, alongside incredible partners – including donors, organizations, agencies, and government – we have helped over 167,000 individuals build a better tomorrow.

I invite you to read inspiring stories of how your support positively impacted the lives of individuals in our community. We experienced the power of community again and again last year through the individuals, workplaces, and organizations that stood together with United Way. You have helped create an incredible impact that shifts outcomes for future generations and builds a brighter Calgary.

Thank you for supporting United Way in 2022 and beyond. I am excited to continue investing in our collective work and to make a real difference in the lives of Calgarians. Most of all, thank you for believing that tomorrow can be better by working together.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karen Young', with a large, stylized loop at the end.

Karen Young
President and CEO
United Way of Calgary and Area

Message from the Chair

Finance, Audit and Technology Committee

It was a good year for United Way from both a campaign and financial perspective despite high inflation and rising interest rates. Throughout 2022, the organization continued its strategic focus on initiatives which have a significant impact on Calgary and Area's social needs and to support the needs of its agencies.

Total revenues increased from \$51.9 million in 2021 to \$54.3 million in 2022. The largest part of this revenue increase was in unrestricted revenue which United Way uses to support its work in communities and its charitable operations.

In 2022, the organization maintained a strong cash position. With the success of our campaign this year, community investments increased to \$43.9 million from \$41.9 million in 2021. Overall, the General Fund realized a \$0.5 million surplus; however, excess revenue and realized gains in the Tomorrow Fund were offset by unrealized losses in investments to a total of \$5.7 million. Although it was a challenging year for the stock market, the investments in the Tomorrow Fund are managed for long-term capital growth.

Total assets were \$86.7 million at December 31, 2022, down from \$87.9 million at December 31, 2021, primarily as a result of the factors discussed above. United Way continues to have strength in its reserves which, through the careful consideration of its Board, will be used prudently to support United Way's priority social causes and the needs of the community going forward.

The Finance, Audit and Technology Committee of the Board is satisfied that management has implemented financial systems and controls to appropriately protect its assets and ensure its resources are used prudently and effectively.

On behalf of the Board of Directors, I am pleased to present the 2022 Summary Financial Statements of United Way of Calgary and Area.

Pam Kazeil
Chair, Finance, Audit and Technology Committee



Independent auditor's report

To the Members of United Way of Calgary and Area,

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Calgary and Area (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.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at December 31, 2022;
- the statement of operations for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
April 6, 2023

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"Pwc" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

SUMMARY STATEMENT OF FINANCIAL POSITION
as at December 31, 2022
(in thousands of dollars)

	2022		2021
	General Fund	Tomorrow Fund	
	\$	\$	Total \$
Assets			
Current assets	26,104	3,560	29,664
Investments	17,345	38,391	55,736
Tangible capital assets	1,287	-	1,287
	44,736	41,951	86,687
Liabilities			
Current	12,358	-	12,358
Deferred contributions	3,884	4,772	8,656
	16,242	4,772	21,014
Fund balances			
Sustainability reserve	6,232	-	6,232
Internally restricted	22,262	18,379	40,641
Endowments	-	18,800	18,800
	28,494	37,179	65,673
	44,736	41,951	86,687

SUMMARY STATEMENT OF OPERATIONS
year ended December 31, 2022
(in thousands of dollars)

	2022		2021
	General Fund	Tomorrow Fund	
	\$	\$	Total \$
Revenue			
Unrestricted campaign	30,891	5,188	36,079
Donor designated funds to United Way initiatives	8,785	-	8,785
Donor designated funds to registered charities	6,819	-	6,819
Funds designated by donors and government assistance to registered charities in support of COVID-19	365	-	365
COVID-19 government subsidies	-	-	-
Tomorrow Fund distribution to General Fund	3,442	(3,442)	-
Investment income	887	1,081	1,968
Sponsorship and other revenue	234	-	234
	51,423	2,827	54,250
Expenses			
Fundraising	7,128	-	7,128
Net revenue available for community investments, services and programs	44,295	2,827	47,122
Community investments, services and programs			
Donor Designations and government allocations	33,507	146	33,653
Community services and program support	10,284	-	10,284



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