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UNITED WAY OF OXFORD

FINANCIAL STATEMENTS
(Audited)

YEAR ENDED MARCH 31, 2025

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UNITED WAY OF OXFORD
INDEX TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Directors,
United Way of Oxford

Qualified Opinion

We have audited the financial statements of United Way of Oxford ("the Organization"), which comprise the statement of financial position as at March 31, 2025, 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 possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and the results of its operations and its cash flows for the period then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

Basis for Qualified Opinion

In common with many non-profit organizations, the Organization derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and as such we were not able to determine whether any adjustments might be necessary to donations and special events revenue, excess (deficiency) of revenues over expenditures, and fund balances for the years ended March 31, 2025 and March 31, 2024. 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 opinion.

Emphasis Of Matter Related to Restatement of Comparative Information

Without modifying our conclusion, we draw attention to note 12 to the financial statements, which describes that certain comparative information presented for the year ended March 31, 2024 has been restated.

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 ASNPO, 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.

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MW&CO Professional Corporation

Chartered Professional Accountants
Authorized to practise public accounting by the Chartered Professional Accountants of Ontario

Woodstock, Ontario
July 10, 2025

UNITED WAY OF OXFORD
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025
(Audited)

ASSETS

	2025	2024
Current		
Cash and bank (note 4)	$ 205,544	$ 257,795
Investments (note 5)	2,038,165	2,285,278
Pledges receivable (note 6)	424,391	353,212
Accounts receivable	105,172	2,914
Prepaid expenses	14,631	19,048
HST recoverable	15,664	5,962
	2,803,567	2,924,209
Capital assets (note 7)	1,391,112	671,368
	$ 4,194,679	$ 3,595,577

LIABILITIES

	2025	2024
Current		
Accounts payable and accrued liabilities	$ 45,451	$ 28,606
Allocation payable to agencies	487,755	531,370
Allocation payable to non-agencies	43,235	40,410
Deferred revenue (note 8)	16,710	303,798
	593,151	904,184
Long term-debt (note 9)	1,065,000	300,000
	1,658,151	1,204,184

NET ASSETS

	2025	2024
Internally restricted (page 6)	1,103,526	911,997
Endowment (page 6)	32,400	32,400
Unrestricted (page 6)	1,400,602	1,446,996
	2,536,528	2,391,393
	$ 4,194,679	$ 3,595,577

Approved by the board:

Director:______________________________ Director:______________________________

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

UNITED WAY OF OXFORD
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2025
(Audited)

	2025	2024
Revenues		
Donations	$ 1,264,262	$ 1,184,179
Funds transferred from other United Way organizations	12,453	13,711
Gross campaign revenue	1,276,715	1,197,890
Uncollected pledges	(26,946)	(31,469)
Net campaign revenue	1,249,769	1,166,421
Interest	77,701	91,370
Funding for third party programs	-	34,955
Rental income	48,860	42,350
Federal funding from Community Services Recovery Fund	-	352,915
Sponsorships and other income	87,182	57,460
Transitional housing	3,200	258,531
Unrealized gain (loss) on investments	24,785	21,370
Loan forgiveness (Note 9)	5,000	-
	1,496,497	2,025,372
Fundraising Costs (page 5)	232,123	221,514
Management and Administrative Costs		
Allocated to fundraising costs (note 2)	(24,755)	(20,712)
Allocated to distributions and community programs and services costs (note 2)	(37,132)	(31,068)
Computers and equipment	3,874	2,004
Occupancy costs	3,704	3,151
Office administration	5,172	4,739
Salaries and benefits	48,784	41,820
Travel and training	353	66
	-	-
Funds Available for Distribution	1,264,374	1,803,858
Distributions and Community Programs and Services Expenses (page 5)	1,119,239	1,446,714
Excess of Revenues Over Expenses	$ 145,135	$ 357,144

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

UNITED WAY OF OXFORD
STATEMENT OF OPERATIONS - SCHEDULES
YEAR ENDED MARCH 31, 2025
(Audited)

Schedule of Fundraising Costs

Allocation of management and administrative costs (note 2)	$ 24,755	$ 20,712
Campaign costs	46,563	47,866
Computers and equipment	18,265	14,680
Occupancy costs	17,463	14,854
Office administration	23,419	26,503
Salaries and benefits	101,240	92,991
Travel and training	418	3,908
	$ 232,123	$ 221,514

Schedule of Distributions and Community Programs and Services Expenses

Allocation of management and administrative costs (note 2)	$ 37,132	$ 31,068
Allocation to agencies	488,064	531,370
Allocation to community initiative programming	6,800	9,140
Allocation of Federal CSRF funding	-	342,609
Allocation to transitional housing	48,884	47,580
Interest on long-term debt related to transitional housing	27,597	16,373
Allocation to United Way of Canada (note 2)	15,207	12,019
Community services	75,661	71,669
211/Information Oxford	11,000	-
Third party program costs	-	34,288
Direct program management and administration costs	368,317	314,895
Designated pledges	40,577	35,703
	$ 1,119,239	$ 1,446,714

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

UNITED WAY OF OXFORD
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2025
(Audited)

	2024	Excess of revenues over expenses	Transfer to/(from) (Note 10)	2025
Unrestricted operating fund	$ 1,446,996	$ 103,606	$ (150,000)	$ 1,400,602
Endowment fund	32,400	-	-	32,400
Internally restricted				
Reserve	653,563	40,763	-	694,326
Marilyn Mann Youth in Crisis fund	14,077	766	-	14,843
Community initiative fund	94,357	-	-	94,357
Transition house operating fund	75,000	-	75,000	150,000
Transition house reserve fund	75,000	-	75,000	150,000
	911,997	41,529	150,000	1,103,526
	$ 2,391,393	$ 145,135	$ -	$ 2,536,528

UNITED WAY OF OXFORD
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2025
(Audited)

	2025	2024
Cash flows from operating activities		
Excess of revenues over expenses	$ 145,135	$ 357,144
Non-cash items:		
Amortization	21,448	28,666
Unrealized (gain) loss on investments	(24,785)	(21,370)
(Gain) loss on disposal of capital assets	(5,000)	-
	136,798	364,440
Changes in non-cash working capital		
Pledges receivable	(71,179)	(17,316)
Accounts receivable	(102,258)	(855)
HST recoverable	(9,702)	2,402
Prepaid expenses	4,417	2,825
Accounts payable and accrued liabilities	16,844	(2,356)
Allocation payable to agencies	(43,615)	14,770
Allocation payable to non-agencies	2,825	6,337
Deferred revenue	(287,088)	(340,229)
	(352,958)	30,018
Cash flows from financing activities		
Repayment of long-term debt	(35,000)	(100,000)
Proceeds from long-term debt	800,000	-
Accrued forgiveness on loan	5,000	-
	770,000	(100,000)
Cash flows from investing activities		
Purchase of capital assets	(741,191)	(69,395)
Net decrease (increase) in investments	(25,160)	(38,607)
	(766,351)	(108,002)
Net increase (decrease) in cash and bank	(349,309)	(177,984)
Cash and bank, beginning of year	1,720,876	1,898,860
Cash and bank, end of year	$ 1,371,567	$ 1,720,876
Cash and bank consists of:		
Cash and bank	$ 205,544	$ 257,795
Investment cash and bank (note 5)	1,166,023	1,463,081
	$ 1,371,567	$ 1,720,876

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

1. Purpose of organization

United Way of Oxford was incorporated on March 19, 1964 as a corporation without share capital. The mission of the organization is to build a stronger community and continue to improve the quality of life for everyone in Oxford County.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Capital assets

Capital assets are stated at cost. Amortization, with the exception of buildings, is recorded on the straight-line basis over the following number of years:

Computer equipment	4 years
Leasehold improvements	7 years
Furniture and fixtures	5 years

Amortization for buildings is recorded using the declining balance method at the following rate:

Buildings	4%

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of estimates include the recognition and valuation of pledges receivable, capital assets and accrued liabilities. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

Net assets

The operating fund net assets represents donations and expenditures related to program delivery and administrative operations of the organization.

The endowment fund net assets represents contributions subject to externally imposed stipulations specifying that the resources contributed must be held in perpetuity. Interest earned on investments is recognized is the operating fund.

The reserve fund net assets represents internally restricted funds set aside for up to six months of operating costs of the agency, to be drawn upon to fund cash shortages in the operating fund as required.

The Marilyn Mann Youth in Crisis Fund was established in recognition of Marilyn’s 25 years as Executive Director, to support children and youth in the community who require financial assistance to access basic items such as accommodations, food, medicine, medical equipment/supplies and recreational opportunities. The net assets represent internally restricted funds used to support the donors’ commitment to Marilyn’s legacy fund.

The community initiative fund net assets represents internally restricted funds available for distribution to support funding applications received throughout the year from non-member agencies.

The transition house operating fund represents board approved funds which have been internally restricted, which are available for use to support the operations of the transitional housing project.

The transition house reserve fund represents board approved funds which have been internally restricted, which are available for use for major repair projects in relation to the transitional housing project.

2. Significant accounting policies (continued)

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year.

Contributed services

Throughout the year many hours are contributed from community members to assist United Way of Oxford in carrying out the organization's activities. Due to the difficulty of determining fair value, contributed services are not recognized in the financial statements.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, other balances with banks, brokerage cash and high interest savings investment accounts.

Income taxes

No provision is made for income taxes as the organization qualifies as a non-profit organization which is exempt from income tax under the *Income Tax Act*.

Allocation of general management and administration

General management and administration expenses are incurred to support functional areas and are allocated to fundraising and distributions and community programs and services expenses based on the time spent method. Following this method, general management and administrative expenses are allocated as follows:

	2025	2024
To fundraising costs	40%	40%
To distributions and community programs and services costs	60%	60%

Allocation to United Way

Fees paid to United Way of Canada are based on 0.78% of total revenues. There is also a supplementary fee paid to United Way Worldwide based on 0.062% of total revenues. Total revenues are based on the previous year's audited financial statements.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

The equity instruments measured at fair value include mutual funds, common shares, and foreign securities.

Financial assets measured at amortized cost include cash and bank, GIC's, High Interest Savings Accounts, pledges receivable and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and allocations payable to agencies and non-agencies.

2. Significant accounting policies (continued)

Cloud computing arrangements

At the inception of the cloud computing arrangement with a supplier, the organization allocates the consideration of the arrangement to all of the significant separable elements based on their specific sales price. Development costs and costs on the rights to use a tangible asset are recognized according to the accounting methods applicable to such elements. To account for the expenditures in a cloud computing arrangement that fall within the scope of AcG-20, Customer's Accounting for Cloud Computing Arrangements, the organization has selected the simplification measure. Such expenditures shall be treated as the supply of services and recognized as an expenditure when the company receives such services. These expenditures are shown in the computer and equipment, and direct program management and administration costs lines on the statement of income. The organization recognizes a prepayment as an asset when payment for services has been made in advance of the entity receiving those services. Expenditures related to implementation activities are expenses as incurred.

3. Change in accounting policy

On January 1, 2024, the organization adopted the new AcG-20, Customer's Accounting for Cloud Computing Arrangements, which provides indications on the accounting treatment for expenses related to a customer's cloud computing arrangement and on the matter of whether there is a software intangible asset in the arrangement. Previously, at the inception of the cloud computing arrangement, the organization allocated the consideration of the agreement to all of the significant separable elements and determined whether the software element met the definition of an intangible asset and the recognition criteria of an intangible asset. Henceforth, upon the inception of a cloud computing arrangement, the organization continues to allocate the consideration of the agreement between all of the significant separable elements, but it has elected, to recognize the expenses related to such arrangements that fall into the scope of AcG-20, to apply the permitted simplification measure. These expenses must therefore be treated as the supply of services and recognized as expenses when the organization receives the services in question. These expenses are included in the computer and equipment, and direct program management and administration costs lines in the income statement. The organization recognizes a prepayment as an asset when payments for goods and services are made in advance. Implementation costs were and continue to be expensed as incurred.

The company applied the simplification measure approach retrospectively, in accordance with Section 1506, Accounting Changes, and the provisions set out under AcG-20. No restatement of prior period balances was determined to be required for the application of the simplification measure.

4. Cash and bank

Cash consists of one operating account held at the Royal Bank of Canada and one operating account at Libro Credit Union, yielding no interest.

5. Investments

	2025 Cost	2025 Market Value	2024 Cost	2024 Market Value
Brokerage cash	$ 90,037	$ 90,037	$ 235,477	$ 235,477
High Interest Savings Accounts	1,075,986	1,075,986	1,227,604	1,227,604
	1,166,023	1,166,023	1,463,081	1,463,081
Guaranteed Investment Certificates	-	-	-	-
Mutual funds (CDN equities)	680,379	753,505	655,276	712,884
Common shares (CDN bank shares)	47,234	89,661	47,234	83,815
Foreign securities	13,163	28,976	13,163	25,498
	740,776	872,142	715,673	822,197
	$ 1,906,799	$ 2,038,165	$ 2,178,754	$ 2,285,278

6. Pledges receivable

The pledges receivable balance includes an allowance for uncollected pledges of $55,183 (2024 - $57,990). The organization determines the allowance for pledge loss based on three main factors: the history of pledge loss, the current state of the economy and the anticipated campaign goal.

7. Capital assets

	Cost	Accumulated Amortization	Net 2025	Net 2024
Land	$ 376,026	$ -	$ 376,026	$ 188,329
Building	1,027,671	43,729	983,942	474,171
Office equipment	12,876	-	12,876	-
Computer equipment	28,404	14,467	13,937	3,795
Leasehold improvements	5,197	866	4,331	5,073
	$ 1,450,174	$ 59,062	$ 1,391,112	$ 671,368

8. Deferred revenue

Deferred revenue represents unspent funding and donations that have been received by the organization and the use has been restricted to the specified program. The contributions reserved for these programs are maintained in the cash and investments balances. These contributions are recognized into revenue proportionate to the expense that is incurred for these programs.

	2025	2024
United Way Programs		
Udodge revenue	$ 925	$ 1,665
Udodge sponsorship	-	3,000
Supplies 4 students	12,311	14,790
Transition house	3,000	1,800
2025/2026 campaign pledges	474	-
	16,710	21,255
Third Party Programs		
Getting Ahead program funding	-	174,640
Oxford Circles program funding	-	107,903
	-	282,543
	$ 16,710	$ 303,798

9. Long-term debt

	2025	2024
4.50% loan, London Community Foundation, payable monthly interest only, due March 2033, secured by a first priority mortgage and assignment of rents to be registered against property in Tillsonburg, Ontario (carrying value - $593,313), and a general security agreement.	$ 270,000	$ 300,000
3.75% loan, Ingersoll Community Foundation, payable monthly interest only, due December 2034, secured by a first priority mortgage and assignment of rents to be registered against property in Ingersoll, Ontario (carrying value - $621,262), and a general security agreement.	300,000	-
8.00% loan, County of Oxford, due March 2034, secured by a 2nd priority mortgage and assignment of proceeds of insurance to be registered against property in Ingersoll, Ontario (carrying value - $621,262), and a general security agreement. (a)	495,000	-
	$ 1,065,000	$ 300,000

(a) During the year the organization obtained a loan from the County of Oxford. The Loan is is forgivable at the end of its term so long as the organization meets the following requirements: the organization makes best efforts to maintain and develop the transitional housing program, pays and discharges all necessary taxes levied by the county and provincial government, provides the county with any requested statements and reports and maintains a minimum of 5 transitional housing beds. As the organization is expecting to meet these requirements, the organization recognized $5,000 as forgiven in net income during the year on the same basis as amortization of the property securing the loan. Should the organization not meet these requirements, the loan is repayable in in full.

10. Inter-fund transfers

The interfund transfer represents a reallocation of the internally restricted funds to reflect the organizations needs for the transitional housing programs. A transfer was approved by the Board of Directors to increase transition house maintenance reserve fund by $75,000 and increase the transition house operating fund by $75,000 and decrease the unrestricted operating fund by $150,000.

11. Financial instruments

The organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the organization's risk exposure.

i) Credit risk exposure

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 the obligation. The organization's main credit risks relate to its pledges receivable and accounts receivable. The United Way of Oxford maintains an allowance for potential pledge losses, and any losses to date have been within management's expectations.

ii) Liquidity risk

Liquidly risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect to its accounts payable and accrued liabilities, and allocations payable to agencies and non-agencies.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is mainly exposed to interest rate risk and other price risk.

iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the company to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating rate instruments subject the company to related cash flow risk.

There have been no significant changes in these risks from the prior period.

12. Prior period adjustment

The prior period amounts were restated to correct a classification of additions recorded to leasehold improvements by presenting them under the building asset line in note 7. As a result of the restatement, the prior period building capital asset has increased by $52,313 and an the leasehold improvements asset decreased by $52,313.