



2018

Annual Report



United Way
Kingston, Frontenac,
Lennox and Addington



“ There’s need across so many sections of society and it is wonderful that United Way KFLA touches on lives across economic, social and cultural boundaries. ”
-Seeing is Believing
tour participant



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Mission

To build and strengthen our community by bringing people and resources together to facilitate change.

Vision

We see a future where people are self-sufficient in a community where individuals live with hope, dignity and a sense of belonging.

Values

We will be known as an organization that:

- Operates with integrity, transparency and accountability to the highest ethical standards to ensure public trust
- Provides leadership in driving social change, partnerships and collaborative innovation
- Respects community wisdom by considering diverse viewpoints
- Harnesses and engages the talents and resources in our community to enhance a philanthropic culture
- Promotes volunteerism through creating awareness and engagement

Strategic Direction

Engage Our Community

- Facilitate community collaboration to address root causes, focus on prevention and provide intervention and support for vulnerable populations
- Intentionally engage diverse groups in all that we do
- Expand partnerships with the community and agencies

Communicate The Impact

- Be a leader in understanding and communicating the social issues impacting our community
- Increase awareness through targeted communication strategies
- Maintain and protect our brand and reputation

Invest In The Future

- Align and implement fundraising strategy to include multiple channels and diversification
- Leverage technology
- Sustain, growth, retain and develop human resources (staff, volunteers, donors, board)

“ I give to the United Way because every person in Kingston and Frontenac deserves a chance for a great future. ”
-Donor

Board Chair and CEO Report

2018 was another busy and productive year for the United Way.

The annual campaign was a great success thanks to the efforts of the Campaign Cabinet, our Campaign Chair Fred Godbille and the thousands of volunteers involved! A record amount was raised. Additionally, we received a large amount from the Kingston Pen Tours and some grants, taking our total revenue to close to \$5 million.

We are delighted to be named one of Canada's Top 100 Charities, a reflection of our priority and focus on transparency and accountability.

Four years ago, our Board identified key risks and the Board has been working on developing and implementing risk mitigation plans. As part of the process for reviewing risk, the Board is focused on 3 key areas: Revenue, Succession Planning and Brand management. This report highlights work to date in these areas and we will continue to develop them further in 2019.

Youth Homelessness has been a key focus for the past five years and we are pleased to see the efforts of our collective impact work moving the needle. We see more youth in shelters, housing and programs, and fewer on the streets and inadequately housed. Youth Homelessness continues to be a critical issue for us to address. We are also researching areas including mental health, vulnerability in girls and women in our community, issues faced by youth in rural areas, and ways to support youth who identify as indigenous.

All of this is possible thanks to the ongoing financial support we receive through the Kingston Pen Tours and our invaluable partnerships with the City of Kingston, the Correctional Service of Canada and the St. Lawrence Parks Commission.

We are always looking for ways to improve and grow, in order to better support the residents of Kingston, Frontenac, Lennox & Addington. We continue to work with our three affinity groups: Next Gen, Retirees and Women United. Each group brings members of our community together who want to make an impact locally. In 2018 we saw great growth and engagement with all three initiatives.

Our United Way KFL&A is working closely with the United Way of Canada and our neighbouring United Ways to find ways to enhance our efficiency and effectiveness. We know there are challenges that continue to face charities and we are looking for ways to adapt and grow as a movement. We're committed to igniting the desire in everyone to improve this community we call home; it's all about building connections and supporting each other.

As we look back on another successful year, we would like to take the time to thank the thousands of donors, volunteers and funded agencies who made this happen. Your support helps so many people in our community live with hope, dignity and a sense of belonging.



Mike Ryan
Chair Board of Directors



Bhavana Varma
President & CEO

2018 Board of Directors

United Way of Kingston, Frontenac, Lennox & Addington is governed by its Board of Directors, a diverse group of community leaders and key decision makers who provide vision, strategic leadership, advocacy, accountability and stewardship.



Chair
Mike Ryan



Past Chair
Jody DiRocco



Vice Chair
Daren Dougall



Treasurer
Matthew Van Nest



Director
Richard Allen



Director
Peter Clarke



Director
Fred Godbille



Director
Joan Jardin



Director
Patrick Legresley



Director
Patrick Murphy



Director
Leanne O'Mara



Director
Stephen Peck



Director
Allen Prowse



Director
Michelle Wilson



President & CEO
Bhavana Varma

“ A healthy community contributes to a healthy life. United Way maintains the healthy community. ”

-Donor

Staff Team

For more information about the United Way KFLA staff team visit: www.unitedwaykfla.ca/about-us/united-way-team/

Accountability

United Way raises funds and invests them locally for maximum impact. We are able to accomplish this thanks to generous donors, partners and supporters.

We have been recognized for accountability and transparency in financial reporting, having received a 4 star rating by Charity Intelligence Canada.

- Our financial statements are audited by an independent auditor and are available online at: www.unitedwaykfla.ca/financial-statements/

Effective, Efficient and Accountable

- We actively solicit in-kind donations, sponsorships, pro-bono services and the support of volunteers to keep expenses as low as possible. This ensures that as much as possible of every dollar goes directly to the community.
- Every year, thousands of volunteers come together to raise funds for services that benefit their family, friends and neighbours.

Annual Registered Charity Disclosure Staff and CEO Salaries

- Our latest Canada Revenue Agency annual T3010 registered charity disclosure is available at: <http://bit.ly/2018T3010>
- The Compensation Committee periodically benchmarks CEO salaries of not-for-profit organizations within the region. We regularly review the compensation levels of our staff to ensure they are within reasonable rates for the level of skill, knowledge and experience required for the role.
- Compensation levels of the 10 highest paid staff for all charities are available at the CRA website, under Charities Listings

For a quick view of our compensation levels please visit: <http://bit.ly/2018T3010>

2018 Fundraising Cost Ratio

84%

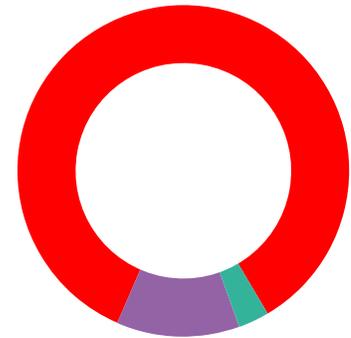
Funds invested directly into programs

13%

Fundraising costs

3%

Related administrative costs



\$4,696,930

Total revenue, including annual campaign

\$636,583

Fundraising costs

\$119,498

Related administrative costs

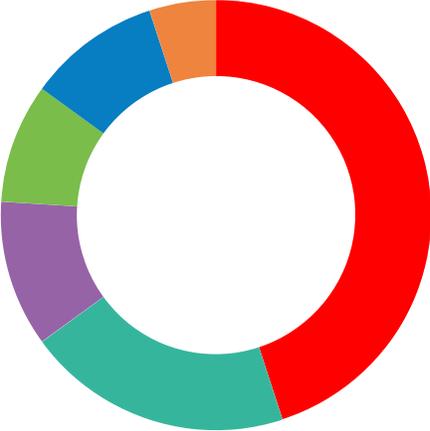


In November 2018 our United Way was named to the MoneySense Charity 100 listing based mainly on two major criteria; financial efficiency and transparency. Our United Way was delighted to get high marks in both of these categories. For more information about the process and scoring, you can visit <https://www.moneysense.ca/save/financial-planning/canadas-top-rated-charities-2019-overview/>

Financial Highlights

We provide financial statements in alignment with Canadian accounting standards for not-for-profit organizations and United Way Canada – Centraide Canada’s Transparency and Accountability Financial Standards.

Where the Money Was Spent



In 2018 your contributions helped us to build a stronger social support network. This network of services provides a foundation for our entire community and allows people to live with hope, dignity and a sense of belonging

- 45%** Partner Agency Funding
- 22%** Youth Homelessness
- 10%** Donor Designations to Other Charities
- 9%** Distributions and Community Programs & Services
- 7%** Grants
- 7%** Community Impact Initiatives

Financial Liquidity



Our United Way takes the financial stewardship of donor dollars seriously. We continuously monitor assets against our current (short-term) liabilities to ensure the ratio remains above 1.0. This provides us with a quick analysis as to how easily we can meet short-term financial liabilities. In 2018, our ratio was above 1.0, at 1.15.

Revenue by Source

72%

Net Campaign Revenue

20%

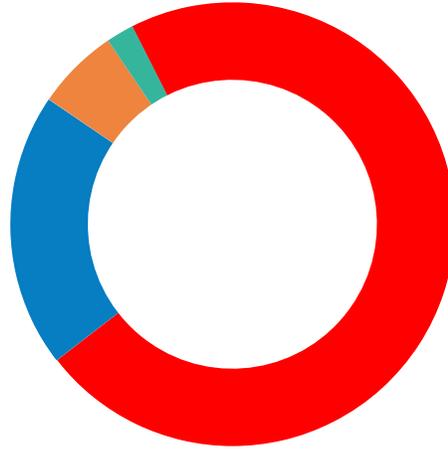
Kingston Penitentiary Tours

6%

Homelessness Partnering
Strategy Grant

2%

Investment Income
and Other Revenue



Funding Distribution by Impact Area

26%

Helping Kids Be All They Can Be

31%

Moving People From Poverty
to Possibility

43%

Building Strong and
Healthy Communities



United Way funding supports a network of agencies that provide vital programs to thousands of people in the region. These programs provide families, individuals, children and youth with support when they need it the most.

To view our financial statements visit:
www.unitedwaykfla.ca/financial-statements/



“ Supporting the United Way allows me to help others in need. In particular, youth and children so they can be all they can be. ”
-Donor

Treasurer's Report

As the Treasurer of the United Way of KFL&A, I am pleased once again to share a few financial highlights for 2018.

MoneySense reviews charities and allocates points based on the percentage of funds spent on administration as well as percentage of funds spent on fundraising. Our United Way was delighted to get high marks in both of these categories, a testament to our focus on sound financial stewardship and accountability.

Kingston Penitentiary Tours contributed significantly to our revenue, with funds to be invested into youth programs through our Ending Youth Homelessness initiative. Funds received in 2016 and 2017 resulted in a surplus in 2017, which was set aside in a Youth Homelessness Reserve Fund and invested in 2018. The planned deficit is balanced by the in-year surplus in 2017.

The United Way received funds from United Ways of Ontario, which the Board of Directors directed towards enhancing our digital capacity. This was a one-time investment of approximately \$39,000. Our goal is to keep our fundraising cost ratio between 15 and 20% and we continue to successfully meet this goal, while contributing to our ability to meet the changing landscape of philanthropic giving.

The Investment Committee of our United Way worked with Fred Benford at CIBC Wood Gundy to ensure our investments were in alignment with our Investment Policy. This protected the United Way from significant losses due to market conditions. Our audited financial statements reflect year-end unrealized losses. We were pleased to see the markets rebound significantly in early 2019.

I'd like to thank the Finance & Audit and Investment Committees and the staff of the United Way for their guidance and support. Their contribution helps our United Way steward funds responsibly, while looking ahead into future trends and opportunities.



Matthew Van Nest

Treasurer

Community Impact

United Way strategically invests in programs and initiatives that focus on underlying causes to create lasting change. We research and understand the social issues in our community, working with agencies, donors, volunteers and partners to fund evidence-based programs and address the root causes of issues.

The Community Investment Strategy provides a framework for volunteers and the United Way Board of Directors, helping them in their decisions to invest in programs and initiatives that have the maximum impact.

Approach

The United Way KFL&A invests in the community in two ways:

Meeting immediate needs through funded programs:

We fund community programs that provide intervention, support and prevention, and are based on an evidence-based framework, with program evaluation and outcome measurement at an individual level.

Funded programs facilitate positive change at the individual level. These programs meet people where they are by providing interventions and supports, crisis management, meeting basic needs and addressing barriers as they arise.

Preventative programs address the issue before symptoms appear. They identify early risk factors and attempt to reduce the likelihood of negative social, behavioural, economic and health outcomes.

Changing Lives Locally



Geographic Distribution

Client Numbers

Kingston	43,818
Frontenac	3,865
Lennox & Addington	5,083

Addressing Root Causes through collective impact

We invest in collective impact initiatives that focus on identifying an issue through research, addressing root causes of this issue, pilot programs to confirm a collective theory of change and systemic and policy changes to address the issues identified and evaluation at a community scale.

Collective impact facilitates positive community-wide outcomes through research, and by engaging key stakeholders, including frontline agencies, private sector, the community at large, all levels of government and, most importantly, people with lived experience.

For the full Community Investment Strategy report visit: www.unitedwaykfla.ca/CIstrategy

“Donations to the United Way allow me, in a small way, to repay the kindness I received as a child.”
-Donor

Community Investment by the Numbers

Helping Kids Be All They Can Be	19,932 Clients Served	8 Agencies	14 Programs
Building Strong and Healthy Communities	7,849 Clients Served	24 Agencies	31 Programs
Moving People From Poverty to Possibility	25,542 Clients Served	10 Agencies	19 Programs
Total	53,323 Clients Served	42 Agencies	64 Programs

For a complete listing of funded agencies visit: www.unitedwaykfla.ca/funding/

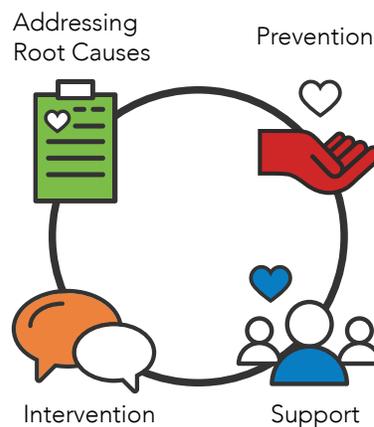
Four Pillars of Community Investment

Addressing Root Causes: using analysis and research to identify the issue, system-wide approaches correct or eliminate root causes.

Prevention: programs and efforts help clients avoid future problems, promoting healthy functioning.

Intervention: purposeful actions taken to reduce symptoms, alleviate and resolve problems and improve the wellbeing of clients.

Support: assistance to people in distress through programs that provide material, emotional support and a sense of belonging.



Breakdown By Focus Area

Volunteers and professional staff annually review agency applications and recommend funding to our Board of Directors. We are grateful to all our volunteers who spend hours reviewing applications and visiting agencies.

For a full listing of our Panel Volunteers visit: www.unitedwaykfla.ca/CRPvolunteers

Helping Kids Be All They Can Be

Our goal is to ensure children and youth are valued and supported, with opportunities and resources to help them reach their fullest potential.

We Focus On

- Engagement in learning
- Connectedness and community involvement
- Emotional and physical wellbeing

19,932 children and youth accessed programs to reach their highest potential

3,173 were supported in becoming resilient and self-confident

15,824 had help getting ready to learn and graduating high school

935 were supported in developing empathy and positive relationships

14 high-impact programs that provide interventions, supports and prevention

The Issue



1 out of 3

Ontario girls in grades 6 to 10 report feeling **depressed** each week

73% of female youth



58% of male youth

report significant **mental health concerns** including **depression** and **anxiety**



1 in 10

children in Kingston live in **food insecure** households

1 in 5 girls

will become victims of **childhood sexual violence**



students living in low-income areas of Kingston are

twice as likely

to drop out of school



Your Local Love Changed Their Life

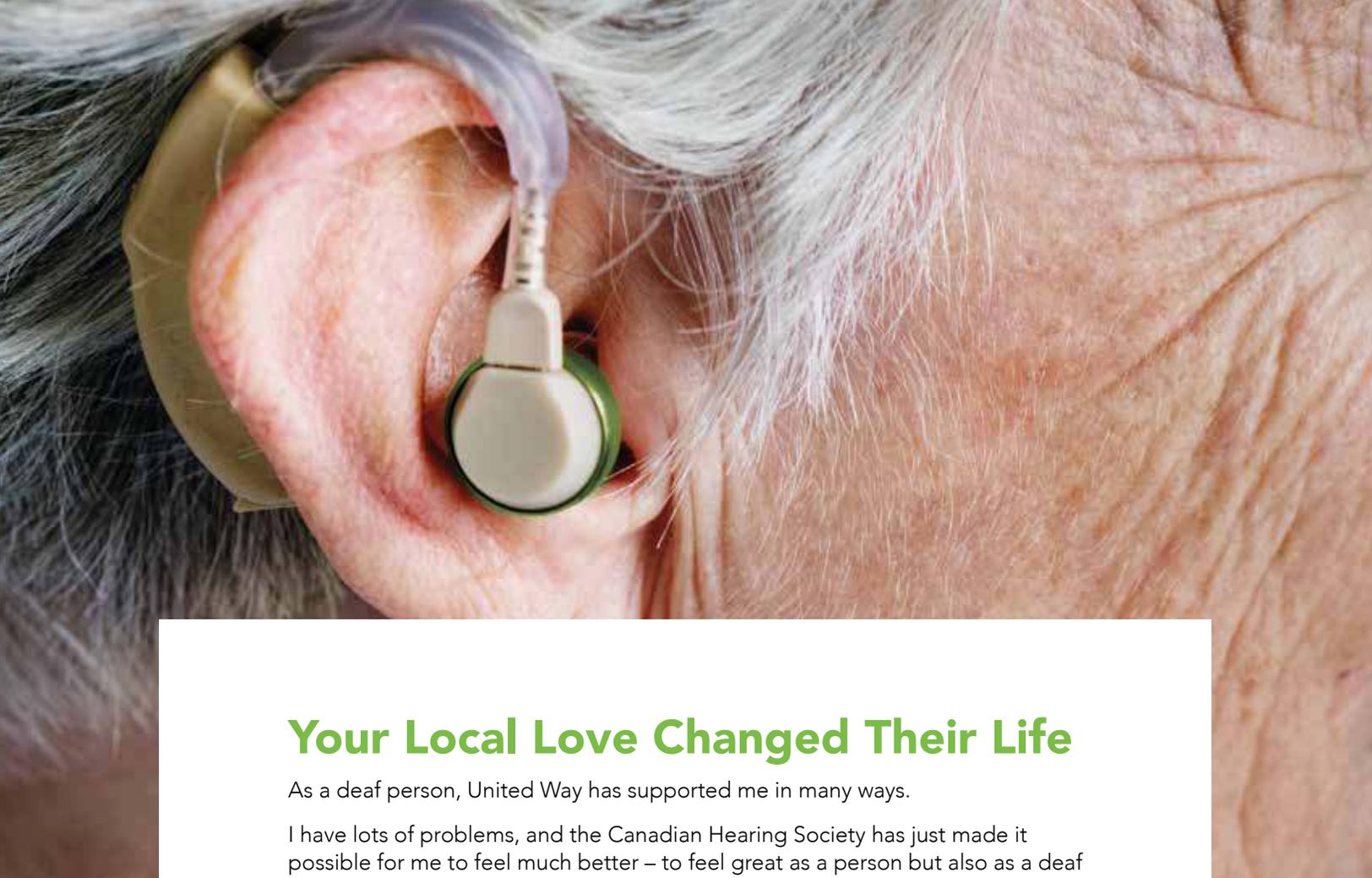
I grew up in Kingston with friends that I went to public school with and I participated in sports and dance. Our family always took little vacations somewhere, and life seemed pretty “normal” to me. Transitioning into high school was difficult, I fought a lot with my parents and it took a toll on my mental health and my relationships with friends too. I begged to switch schools, but my parents suggested I just make new friends. I did, I made friends with the kids at the smoking pit, they accepted me right away. I got curious about everything my new friends were doing. I tried smoking, then smoking pot and before I knew it I became a person I never wanted to be. I started sneaking around and eventually got kicked out of my parents’ house. I started staying with friends and then with my grandparents, but I kept hanging out with the same people.

I met a guy and we hit it off. I tried harder substances and spent the summer living with him and his dad who sold drugs. I didn’t care because nobody else in my life seemed to care, but that year school was a real struggle. I was connected with a counsellor from Youth Diversion, a United Way funded agency. I was struggling and making bad choices, but he let me know I wasn’t alone and although I continued to spiral, I had support. I was expelled from school just before graduation for obvious reasons and I was lost. But because of programs like Youth Diversion, and other United Way supported agencies, I am able to share my story that fortunately has a happy ending.

Today I am a strong 23-year-old women who has finished high school, graduated from an education assistant program and gone back to school to take a child and youth worker program.

Thank You,

Alexis



Your Local Love Changed Their Life

As a deaf person, United Way has supported me in many ways.

I have lots of problems, and the Canadian Hearing Society has just made it possible for me to feel much better – to feel great as a person but also as a deaf person. Deaf people have very specific needs and very specific supports that they need. Getting counseling with a person who is not deaf and who doesn't use sign language is very difficult, but here, I can receive counseling through a person who is either deaf or understands deaf people. They really understand me and my needs.

Through their programs I received support for my mental health needs and I've received technical devices that I need like an alarm clock and hearing aid batteries.

I always feel welcome at the Canadian Hearing Society. The staff are friendly and they understand me, and I think I've developed my identity as a deaf person through their assistance. I am now proud of who I am as a deaf person.

I would say thank you to United Way because these services and supports help me in a way that I can't even completely explain. They help me access services, to break down barriers, they help me to even understand what the barriers are. That's really helpful because it makes me and other deaf people feel better. We no longer see the barriers as a problem but as something that can be brought down and that gives us more confidence that we can do things. It's not a situation where we can't, it's a situation where we can.

Thank You,

Bill

Building Strong and Healthy Communities

Our goal is to help people connect to supports they need, have positive mental health and increase personal safety.

We Focus On

- Connection
- Physical & mental wellbeing
- Safety

7,849
people were helped
by programs and
initiatives supporting
personal wellbeing
and safety

2,488 had help with physical
or mental health challenges

448 were safe from violence,
abuse and neglect

4,013 were supported and helped
to access community services

The Issue



1 in 2
adults will experience
a mental health crisis
by age 40



1 in 5 Canadians
over 15 years old have
one or more disabilities
that limit them in their
daily activities

62% of older adults
with vision loss report they
seldom leave their homes
for recreation or leisure



Kingston and Area has the
second highest
rate of sexual offences against
youth reported to the police
in Canada

31 high-impact
programs that provide
interventions and
supports

Moving People from Poverty to Possibility

Our goal is to help people by reducing the impact of poverty and improving access to shelter and affordable housing.

We Focus On

- Housing stability
- Food security
- Financial security

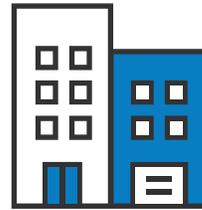
25,542
people were helped
by programs and
initiatives in meeting
their basic needs and
moving them out
of poverty

2,228 had access to emergency shelter, affordable housing, and resources to support financial security and sustainable employment

20,219 had access to affordable and nutritious food

3,095 had access to resources to lessen the impact of poverty

The Issue



0.6%

Kingston rental vacancy in 2018, the lowest in Ontario



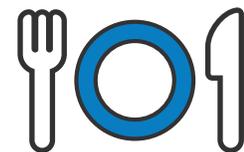
42% of people experiencing homelessness in Kingston are children and youth



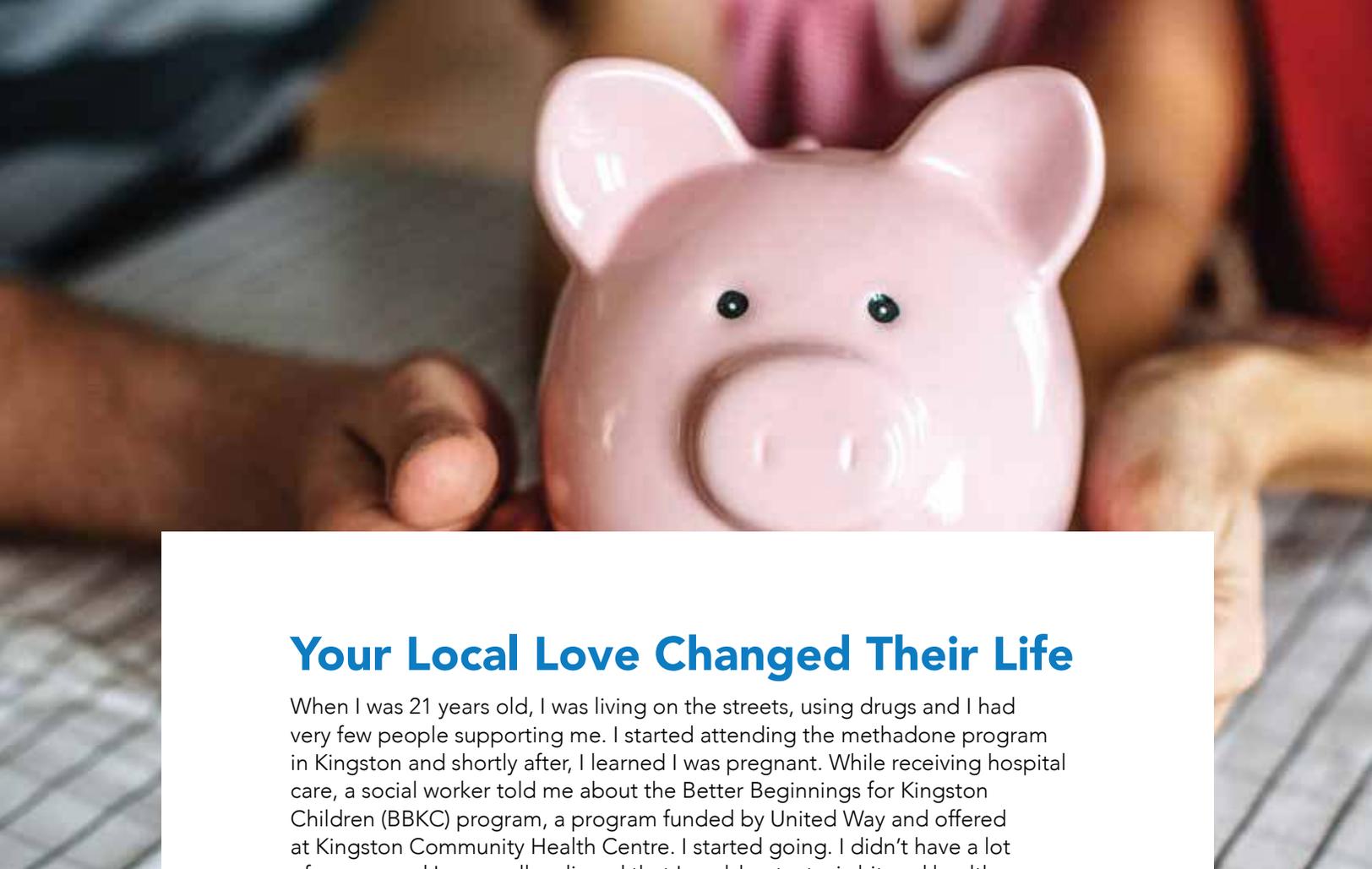
17,895 people in Kingston are living below the poverty line

4 million

Canadians are food insecure. The majority of food insecure Canadians are working



19 high-impact programs that provide interventions and supports



Your Local Love Changed Their Life

When I was 21 years old, I was living on the streets, using drugs and I had very few people supporting me. I started attending the methadone program in Kingston and shortly after, I learned I was pregnant. While receiving hospital care, a social worker told me about the Better Beginnings for Kingston Children (BBKC) program, a program funded by United Way and offered at Kingston Community Health Centre. I started going. I didn't have a lot of money and I was really relieved that I could get a taxi chit and healthy food every time I went to group. Without that, I probably would not have been going. I could not afford a lot of food and BBKC was a consistent provider of fresh, healthy food, and I knew it was important to my baby's growth and development. It relieved some of my stress. I signed up for every group available to me, and one on one support with BBKC. During that support, staff helped me apply for housing, disability financing, they answered any questions I had about pregnancy, parenting, and health. I began to feel more confident about myself and that I would be able to be the parent I wanted to be because of their support.

Over the next 3 years my baby and I attended the groups and every parenting group offered. The transportation and food support made this possible. I grew as a person and BBKC helped me find a job. I had grown a lot; I was off methadone, clean and drug free, I had stable housing, stable finances, and I knew about my health and my child's development. I started to volunteer with KCHC, then I joined the BBKC Action Group. I have also given back through the Thrive program by being on the advisory committee and have supported their work to decrease stigma around opioid dependency during pregnancy and while parenting.

I have made a complete turnaround in my life and my family's lives. The transportation and food funded by the United Way helped make all this possible. Without that I wouldn't have been able to come to the groups, get the education and my support would have been limited.

Thank You,

Jaz

Youth Homelessness

On any given night, more than 6,000 Canadian youth are homeless.

Young people account for one in five of the people living in Canada's homeless shelters. In 2013, this number was even higher in the region at one in three.

Over the past five years, that figure has returned to the national average in the region, thanks to a collective effort by the community.

In 2013, our mission began with the vision of reducing the number of young people using the shelter system. However, it became clear that the root causes of homelessness are complex and require intervention on multiple fronts. And that having more youth inside our support system was a good thing.

The United Way opted to focus on prevention, providing timely intervention, and building a sustainable network of supportive resources. This approach has ensured that youth homelessness in our community becomes a treatable option, rather than a chronic one.

A new vision emerged and continues to be the goal:

“ By 2020, 80 per cent of youth who enter the homelessness system in KFL&A will be housed within 30 days. ”

By pursuing this vision, we have made great strides in our community and continue to focus our attention and our efforts on identifying and removing the barriers that keep young people from accessing safe, suitable and sustainable housing, and ensure that every young person in KFL&A has a place to call home.

Root Causes

Listening to young people provided us with insight into how youth homelessness can occur. Youth Council participants helped us identify the primary root causes: family conflict, addictions and mental health and education and unemployment.

Successes to Date

Family Mediation: This worker provides supportive services to address conflict, improve communication and facilitate healthy reunions between youth and their families.

Youth Outreach: Funding is provided for a Youth Outreach Worker, through Addictions & Mental Health Services KFL&A, to provide cognitive therapy and referrals to youth who are homeless with mental health issues.

Intersections: This program is delivered by Youth Diversion and provides intervention, navigation and coordination of services for children and youth under age 18 who are at risk of becoming involved with the justice system.

LGBTQ+ Mental Health: A program that addresses the mental health of gender-diverse youth in a safe place is facilitated by the Canadian Mental Health Association.

Youth Hub in Kingston: One Roof is a partnership between 27 organizations providing a range of services to youth in one convenient location.

L&A Youth Hub – Prince Edward Lennox & Addington Social Services and United Way jointly supported the creation of the L&A Youth Hub in the Memorial Building in Napanee. Twenty-one partner organizations provide a range of services.

Transitional Housing Program: For youth, transitional housing is often an important step toward permanent housing.

It allows youth the time to heal, recover, and develop the skills that will enable them to succeed in living independently.

Education and Awareness Campaign:

Kingston Transit Campaign: Youth homelessness has been featured through Kingston Transit with youth stories appearing on buses throughout the city.

Mental Health Planning Day: Held on March 23, 2018 at the Discovery Centre at Fort Henry. Over 80 participants including youth attended the session bringing a wealth of perspectives to the discussion.

Forums:

Youth Forum: Youth organized the fourth annual Youth Summit, attended by more than 80 youth. They increased awareness through practical, interactive workshops on topics that are important to youth.

Educators' Forum: As a result of input at these forums, a Youth Services Listing was developed to help connect youth with local programs and services.

New initiatives

Youth in Frontenac County: Two new rural youth positions were introduced to identify needs. Initiatives and programs are being developed in the area to start addressing these needs.

“As kids, we can't always control what happens to us, but when you decide you're ready, there are people who want to help”

-Trevor,
homeless at age 17

Mental Health: Work for this initiative has continued in three areas: 24-hour walk-in for crisis support; post-crisis and peer support; and post-emergency discharge planning.

Strategy for Indigenous Youth: We have started speaking with different groups and individuals to gain insights from Elders to gain a better understanding of the unique needs of Indigenous youth.

Focus on Female Youth: We have a high rate of female homelessness and a high rate of human trafficking, addictions and mental health among women of all ages. United Way's Women United Committee is focusing its attention on these issues and exploring a partnership for a research initiative to identify root causes.

Youth Wellness Hub: The United Way supports opportunities to collaborate through a youth hub to address shelter, coordinated services and potentially a safe space for youth in crisis and emergency needs.

When I was 15, I lived out of my duffel bag. It was very heavy, it contained everything I had. I asked to stay at friends' houses or slept in the backs of office buildings. I found a housing program that also had support for mental health. It felt great to have my own bed and be able to eat breakfast. Now I volunteer helping other youth.

- Brandon,
homeless at age 15

Labour Report

The Kingston and District Labour Council (KDLC) is a proud partner with the Kingston, Frontenac, Lennox and Addington (KFLA) United Way. The KDLC and KFLA United Way each work to prioritize the needs and dignity of people in this region.

Our federal organizations, the Canadian Labour Congress (CLC) and the United Way Centraide Canada (UWCC) share a common vision for healthy and supportive communities. We encourage workers and union leaders to join the United Way movement so that our combined voices, networks and resources can make that vision real. By working together, we build a community of caring while making our communities better

Many union activists contribute to United Way by bringing workers' perspectives and experiences to discussions. The United Way Board, the Campaign Cabinet and committees each value worker input and ensure that seats are dedicated to Labour Representatives.

It has been a pleasure to work with the other United Way Board Directors as we shape the direction of the United Way. I continue to be impressed with the expertise that each Director contributes to discussions and decisions.

The United Way's activities are organized and coordinated by highly dedicated and welcoming United Way staff. Their guidance makes the work go smoothly. Thank you to all of the United Way Staff for your many efforts.

The volunteers from Labour, including union locals, staff and workplace campaigners, have again helped the United Way reach its 2018 goal. They understand that their volunteer efforts help their colleagues and their families. The 2018 KDLC 1st Vice-President, Rej Bruneau, was the Labour Representative on the Campaign Cabinet.

Rej has demonstrated the strong local support from Labour for the United Way and the United Way has been clear about its appreciation of Labour's contributions.

Our labour campaign began on Labour Day 2018. United Way participation in our parade and activities at McBurney Park has always been appreciated and has become a solid partnership. The Labour Day Committee members worked to make the event another great success. Thanks to a fabulous team.

As Director of Labour Community Services (LCS), Ryan Bol added new enthusiasm and ideas to the role. Even though Ryan continues to be a strong supporter of the United Way, he returned to his previous job. Fortunately, we were able to welcome Jeremy Robins as Director of LCS. He has already been a diligent and helpful support for both the KDLC and KFLA United Way.

The Labour Community Advocate Program which informs local labour leaders about United Way agencies will be returning soon. This program assists Labour to be better able to refer colleagues to our many excellent community resources. Unions are encouraged to have members take this course; it increases our capacity to help each other.

As partners, we combine the efforts of more than three million CLC members with all those involved in the United Way. We know that solidarity and strength in numbers can cause great change that will continue to make our citizens feel dignity and involved in our communities.



Joan Jardin

Labour Representative
Board of Directors

2018 Leadership Development Services

United Way strengthens the voluntary sector by providing training and workshops to local volunteers and boards of directors. Our volunteer Leadership Development Services program provides workshops and custom training sessions to nonprofit organizations throughout KFLA.

The Leadership Development Services (LDS) public workshops are designed for board members, staff and volunteers to develop the skills and knowledge needed to become effective and responsible leaders.

7

Public Workshops

4

Custom Workshops

201

Participants

“ The presenter made the atmosphere comfortable so open discussion was easy. He was engaging, enthusiastic and gave great real-life examples. ”
-Workshop Participant

Volunteer Centre

The United Way Volunteer Centre matches local not-for-profit organizations with volunteers who lend their skills and expertise to local organizations.

The Volunteer Centre can help residents get started on the road to a fulfilling volunteer experience.

www.unitedwaykfla.ca/volunteer-centre/

“ I just wanted to let you know that I really appreciate the fact that I can post in your website to find volunteers. ”
- Community Agency

By the Numbers

241

volunteer opportunities

39

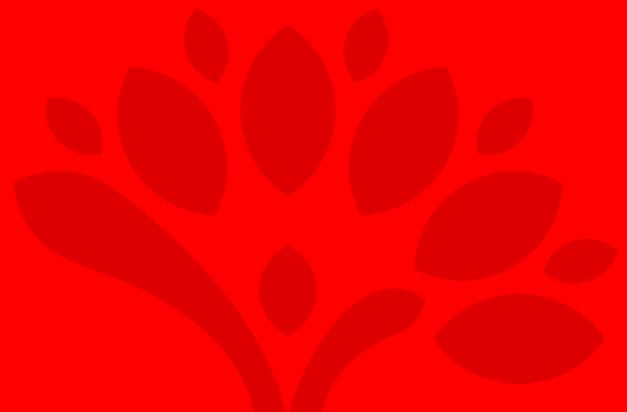
local organizations assisted

293

applicants (looking for opportunities)

12,832

Volunteer Centre page views



Campaign Cabinet & Committees



Fred Godbille
2018 Campaign Chair
DuPont Canada

The United Way campaign is led by community volunteers. Thanks to their efforts, and the hard work and dedication of over 2,500 volunteers, funds are raised to support our families, friends and neighbours right here in KFL&A.

Campaign Cabinet



Patrick Murphy
Past Campaign Chair
Secura Financial Group



Shawn Armstrong
Government
Kingston Fire & Rescue



Elizabeth Bardon
Healthcare & Agencies
Kingston Health Sciences Centre



Ryan Boehme
Municipal
Utilities Kingston



Rejean Bruneau
Labour Liason
President Labour Council



Nancy Bradshaw
Commercial
Postmedia Network Inc.



Chris Doucet
Commercial
CIBC



Col. K.A. Gallinger
GCWCC
CFB Kingston



Daren Dougall
Provincial
Children & Youth, Youth Justice Service



Bill Durnford
Chair, Business Development
Ambassador Hotel



Scott Harris
Government
Correctional Service Canada



Prof. Thomas J. Harris
Education
Queen's University



Sergiy Kolosov
Provincial
Ministry of Training, Colleges and Universities



Dennis McAllister
Manufacturing
Invista



Antje McNeely
Government
Chief, Kingston Police



Liza Nelson
Commercial
Postmedia Network Inc.



Debra Rantz
Education
Limestone District School Board



Don Seymour
Healthcare



Michelle Wilson
Finance
TD Bank Group



John Sheridan
Chair, Major Gifts
Retired CEO Ballard Power Systems & Corporate Director



Gillian Sadinsky
Leaders Of The Way Co-Chair
In-House Yoga



Patrick Murphy
Leaders Of The Way Co-Chair
Secura Financial Group



Bill Leggett
Leaders Of The Way
Queen's University (Retired)



Marc Varin
Tech United Chair
RBC



2018 Campaign Committees



Elizabeth Brown
Women United



Desirée Kennedy
Women United Co Chair
City of Kingston



Jane Lapointe
Women United
Assante Wealth
Management



Jennifer Lemieux
Women United
RBC Dominion
Securities



Antje McNeely
Women United Co Chair
Chief, Kingston Police



Gillian Sadinsky
Women United
In-House Yoga



Michelle Wilson
Women United
TD Bank Group



Cathy Wilson
Women United
Parsons



Gillian Moren
Next Gen Co-Chair



Mitch Purcell
Next Gen Co-Chair

“ The United Way provides funding & grants for a number of programs I believe in. ”

-Donor



Dr. Jim Parker
Retiree Task
Force Chair



Arlene Aish
Retiree Task Force



Lana Foulds
Retiree Task Force



Marina Lee
Retiree Task Force



Valerie Robb
Retiree Task Force



Tim Salmon
Retiree Task Force

2018 Calendar of Events

Each year, a number of events hosted by United Way, volunteers and workplaces take place in the Kingston, Frontenac, Lennox and Addington area. Some of these events raise funds, some collect donations, some educate and some recognize the wonderful volunteerism that happens in our community each and every year. All of these events are a reflection of local love in KFLA. Here are some highlights of events that took place in the past year.



LDS Workshop



Lieutenant Governor Visit



UW Week at Queen's



211 day



Next Gen Masquerade



Homelessness Day at Queen's Park



Youth Mental Health Planning Day



Workplace Awards



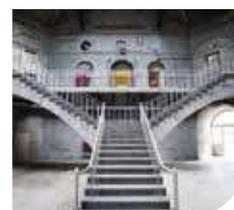
Youth Summit at Memorial Hall



Success By 6 Week



Volunteer Service Awards



Kingston Pen Tours

June



Leadership Reception



Annual General Meeting



Day of Caring



Agency Lunch

July



Kingston Pen Tour Cheque Presentation



Seeing is Believing Tour

August



2018 Sponsored Employees



Good Food Stands



Pickleball United

September



Labour Day Parade



80s Enuff Rocktember



Fare for Friends



Mayor's BBQ

“ I give to support the amazing programs that change lives ”
-Donor



Campaign Kick-off



October



Bourgon Grand Opening BBQ



Queen's Science Formal

November



Gov Fest



Campaign Touchdown



December

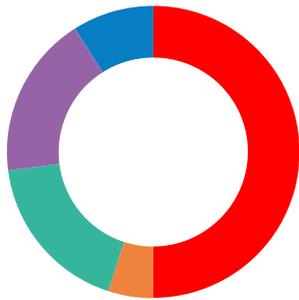


BMO Holiday Giving

2018 Campaign by the Numbers

During the 2018 campaign, the community raised \$3.5 million in support of local programs and services. None of this would have been possible without the support of thousands of community volunteers. Money is raised through workplace employee campaigns, special events, corporate giving and individual giving in our community

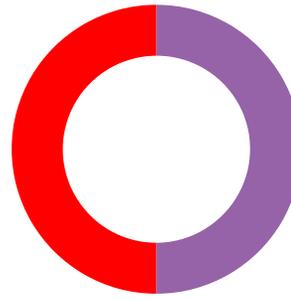
Campaign Revenue by Source



The campaign raises funds from corporations, employees, individuals outside the workplace and events.

- 49%** Employee
- 19%** Corporate
- 18%** Individual
- 9%** Workplace Events
- 5%** Community Events

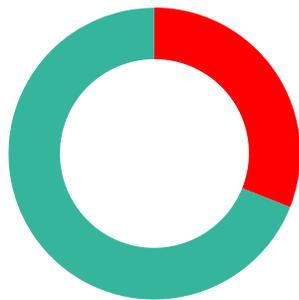
Leadership Giving



Leaders of the Way (\$1,200+) donate through workplace giving as well as directly outside the workplace.

- 50%** Community
- 50%** Workplace

Workplace Revenue



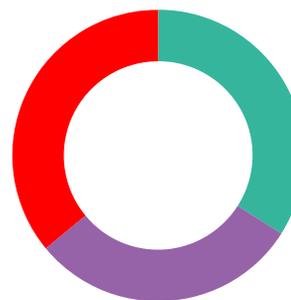
Workplace giving makes up 69% of the overall campaign revenue

Workplace Giving

Over 250 local workplace support the United Way with employee campaigns. For a list of participating agencies visit: www.unitedwaykfla.ca/workplaces

- 69%** Workplace
- 31%** Non-Workplace

Personal Giving



- Giving from people makes up the most significant portion of the campaign.
- \$2,536,890 was raised from employees and individuals.
- Leaders and Major gifts make up 64% of all personal giving.
- Donors giving less than \$500 make up 18% of personal gifts.

- 34%** Major Gifts
- 36%** Other Donors
- 30%** Leaders of the Way

2018 Leadership Giving by Level



Leadership gifts are recognized at different levels of giving. The maximum number of Leadership donors are in the Bronze level.

- 32%** Bronze
\$1,200-2,499
- 25%** Transformational
\$100,000+
- 16%** Silver
\$2,500-4,999
- 11%** Platinum
\$10,000-24,999
- 10%** Gold
\$5,000-9,999
- 6%** Philanthropist
\$25,000+

A list of donors who donate at the leadership level is available at: www.unitedwaykfla.ca/honourroll

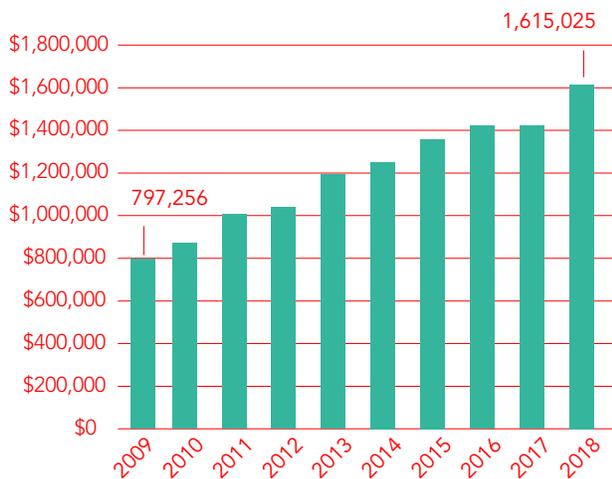
To view the complete list of the 2018 Workplace Volunteer Award Winners visit: www.unitedwaykfla.ca/2018awards

Caring Corporation

Thank you to all the corporations who support the United Way. For a list of corporation donors and sponsors visit: www.unitedwaykfla.ca/caringcorporations

Leadership and Major Gifts

Leaders of the Way are donors who contribute \$1,200 a year or more. In 2018, 492 Leaders of the Way contributed \$1,615,025 or 44% of the total campaign. Over 10 years, Leadership giving has doubled.



United Way 10 Year Campaign History

The annual campaign has grown every year, thanks to the generous support of donors. Over the past 10 years, the campaign grew 18%, from \$3 million in 2009 to over \$3.5 million in 2018.





“ United Way supports many programs & services clear across the age spectrum. ”
-Donor

Letter from the 2018 Campaign Chair

I am grateful to have had the opportunity to be the Campaign Chair for the record-breaking 2018 United Way KFL&A campaign. I am so pleased to be associated with such a generous and united group of people and I would like to thank our local officials, the staff of our very own United Way, the campaign cabinet, Pat Murphy, our 2017 campaign chair, our media partners, and all of our donors and volunteers.

In September of 2018, we announced our goal, but that goal was not just a target to achieve, but a goal to surpass. It was clear that from the onset of the campaign our community was determined to do just that.

After a memorable and record-high Fare For Friends Finale and several workplaces wrapping their campaign earlier than previous years, we found ourselves ahead of last year by about one week. I must say we were both excited and nervous that things might slow down in the later part of the campaign... But the community came through and the energy was high throughout the entire campaign.

As we went around the room during the Touchdown Breakfast, many workplaces revealed that they had in fact exceeded their goals and everyone involved in this campaign should be really proud. As we heard from speakers at both the Kickoff and Touchdown and throughout the campaign, each story was and is a reminder of why we do this and a testament to how united our community has been.

Thank you again everyone for a wonderful campaign and best of luck in 2019!



Fred Godbille
2018 Campaign Chair

Success By 6 Week

What is Success By 6?

Success By 6 is based on the idea that it takes a village to raise a child and that we all have a role to play in ensuring that every child has a chance to succeed early in life. By investing in young children, their parents and caregivers, we dramatically increase our children's chances for a healthy and successful future

Success By 6 Week heightens public awareness of the importance of early-years development.



5,101

children and caregivers
attended in 2018

138 **12**

events new events

For more information about Success by 6 and for a listing of our community members please visit: www.successby6kfla.ca

Women United

336 women gave at the Leadership Level (\$1,200+), individually or with a partner. Collectively they donated

\$957,000



Retiree Taskforce

United Way has been working on a strategy to engage retirees. Through the Condo Canvass and Workplace Retiree campaigns

\$414,381

was raised in 2018,
18% increase over 3 years



Next Gen Initiative

Next Gen encourages people in their twenties and thirties to be a part of the next generation of community leaders. Through events and opportunities, Next Genners invest their time, energy and money in our local community

Events

- Emerging Leaders Breakfast
- Meeting of the Minds
- Masquerade
- Pool Party
- Networking Event



Seeing is Believing Tours

394

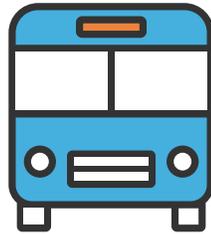
participants total

14

custom tours

4

Public bus tours
(Kingston Transit
& McCoy)



“ The United Way makes our community better, supports needed services and maintains dignity. ”
-Donor

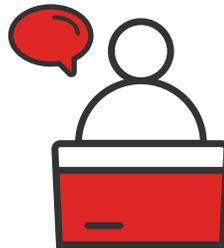
Speakers Bureau

170

presentations

49

speakers



Social Media

Twitter

4,102

Followers in December 2018

Facebook

1,932

Likes in December 2018

Days of Caring

11

custom days of caring

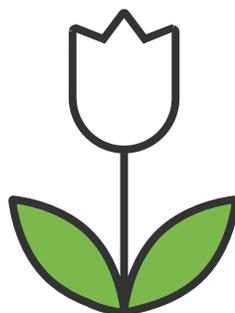
39

projects

over

200

volunteers



“ This event is such a great way for the community to see how many small efforts make a great impact when they come together. ”
- Day of Caring Participant

Eternity Fund

Where there is a will, there is a way...

Through bequests and gifts of life insurance, the Eternity Fund provides a reliable stream of income well into the future, ensuring that the tradition of caring in our community continues for tomorrow's residents.

United Way is a vital force, providing support 365 days a year to residents. Whatever challenges face our community now and in the future, our United Way needs to be able to continue to support the most vulnerable people in our community.

In addition to funds raised through the annual campaign, the United Way has a permanent Endowment Fund so donors have the option to invest in the future through bequests, life insurance and other planned gifts.

If you have already made a provision for United Way in your estate plans, please let us know so we can ensure your gift is used as intended.

Audrey & Peter Scholes Memorial Fund

In 2017, the United Way received its largest bequest from long time donors, Audrey and Peter Scholes. The bequest was over \$1.5 million, pushing the United Way's endowment fund to over \$2.3 million.

As per the wishes of Mr & Mrs. Scholes, the United Way has created the Audrey and Peter Scholes Memorial Fund. The income earned from this fund will support programs that relieve poverty, helping low-income and vulnerable people integrate into the community.

Eternity Fund Supporters

Paul Banfield	Sheila Kingston
Jane Bayly	Katherine & Paul Manley
Donna Bull	Judith Mackenzie
Lynn & Richard Cilles	Tom Mawhinney
Peggy & Ted Davidson	Darryl McDermid
Caroline & Simon Davis	Mariella Morin
Mike Deschesne	John Morse
Oliver Doyle	Mary-Alice Thompson
W. Craig Ferguson	Robert & Bonnie Thomas
Marjorie Finlay	Audrey Scholes
Ruby Garrow	Harry Smith
Janny Gaveel-Dorrestijn	Bhavana & Rakesh Varma
Marsha Gormley	David Wanklyn
Charles Gould	George Wattsford
Susan Greaves	

Eternity Fund Supporters

Estate of Charlotte Abbott	Estate of Esther Mahood
Estate of Emma Clench	Estate of Helen Mahood
Estate of Beatrice Cohen	Estate of Mary McLean
Estate of Eleanor Crossman	Estate of Katherine Ross Muirhead
Estate of Gelindo De Re	Estate of Rose Oliver
Estate of Hugheen Ferguson	Estate of Margaret Reid
Estate of Shirley Mactavish	Estate of Harold Roberts
	Estate of Brendan Savage
	Estate of Alan Richard Travers
	The Audrey and Peter Scholes Memorial Fund

For more information, please visit www.unitedwaykfla.ca/eternity

“ The United Way gives us the opportunity to make a lasting and meaningful contribution to our community. Through a bequest to the Eternity Fund we can ensure that the many essential services supported by United Way will be delivered in the future. ”
-Katherine & Paul Manley



Emergency Assistance Fund

In 2018 the United Way of KFLA Board of Directors approved the expenditure of funds to support emergency assistance programs to help people in poverty. The expenditure of 3% of the Eternity Fund (as per the United Way KFLA Investment Policy) allows for intervention and support of vulnerable populations by providing urgent dental assistance, winter boots and school supplies for children and access to food for the hungry.

Local Love

Impacting Local Lives.



@unitedwaykfla

417 Bagot Street, Kingston, ON K7K 3C1

Tel: 613-542-2674 | **Fax:** 613-542-1379

www.unitedwaykfla.ca



United Way
Kingston, Frontenac
Lennox and Addington

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BUSINESS SOLUTIONS

Financial Statements of

UNITED WAY OF KFL&A

Year ended December 31, 2018



KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Telephone 613-549-1550
Fax 613-549-6349

INDEPENDENT AUDITORS' REPORT

To the Members of United Way of KFL&A

Qualified Opinion

We have audited the financial statements of United Way of KFL&A, which comprise:

- the statement of financial position as at December 31, 2018
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- that 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, except for the possible effects of the matter described in the “***Basis for Qualified Opinion***” section of our auditors’ report, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of KFL&A as at December 31, 2018, 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 Qualified Opinion

In common with many not-for-profit organizations, United Way of KFL&A derives revenue from donations, 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 United Way of KFL&A.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2018 and December 31, 2017
- the donations revenue and excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2018 and December 31, 2017
- the unrestricted net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended December 31, 2018 and December 31, 2017



- the excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2018 and December 31, 2017

Our opinion on the financial statements for the year ended and December 31, 2017 was qualified 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 “Auditors’ Responsibilities for the Audit of the financial statements” section of our auditors’ report.

We are independent of United Way of KFL&A 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 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing United Way of KFL&A’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 United Way of KFL&A or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the United Way of KFL&A’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 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 United Way of KFL&A'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 United Way of KFL&A'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 United Way of KFL&A 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.
- Obtain sufficient appropriate regarding the financial information of the entities or business activities within United Way of KFL&A to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

April 18, 2019

UNITED WAY OF KFL&A

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash	\$ 1,072,807	\$ 1,060,259
Short-term investments (note 2)	1,012,214	1,003,750
Pledges receivable (note 3)	255,185	297,409
Accounts receivable	40,132	36,298
Prepaid expenses	1,785	9,822
	<u>2,382,123</u>	<u>2,407,538</u>
Long-term investments (note 4)	3,778,767	3,518,939
Capital assets (note 5)	34,973	43,459
	<u>\$ 6,195,863</u>	<u>\$ 5,969,936</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 739,763	\$ 646,672
Monies held in trust (note 7)	23,967	15,390
Deferred contributions non-campaign	104,155	56,258
Deferred campaign revenue	2,174,305	2,149,285
	<u>3,042,190</u>	<u>2,867,605</u>
Net assets:		
Invested in 417 Bagot Group (note 4(a))	409,619	408,536
Invested in capital assets (note 8)	34,973	43,459
Reserves (note 9)	387,590	460,000
Endowments	2,127,669	1,958,253
Unrestricted	193,822	232,083
	<u>3,153,673</u>	<u>3,102,331</u>

Commitments (note 11)

	<u>\$ 6,195,863</u>	<u>\$ 5,969,936</u>
--	---------------------	---------------------

See accompanying notes to financial statements.

On behalf of the Board of Directors:

 2019-04-25

Director



Director

UNITED WAY OF KFL&A

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Campaign revenue	\$ 3,332,602	\$ 3,317,323
Funds transferred from other United Ways	51,183	11,592
Funds transferred to other United Ways	(25,851)	(20,203)
Community special events	132,290	137,697
Gross campaign revenue	3,490,224	3,446,409
Pledge recovery (loss) (note 10)	(106,448)	1,351
Net campaign revenue	3,383,776	3,447,760
Kingston Penitentiary tours	921,415	800,000
Homelessness partnership strategy grant	273,877	263,208
Investment income	49,787	43,696
Donations and other revenue, including grants	68,075	267,226
	4,696,930	4,821,890
Expenses:		
Allocations and programs:		
Program grants	1,913,785	1,821,502
Distributions and Community Programs and Services (schedule 1)	340,996	342,035
United Way Community Impact Initiatives	189,456	269,686
Donor choice designations	457,960	397,626
Homelessness partnership strategy grants	217,327	232,265
United Way dues and shared costs	34,001	32,682
Youth Homelessness	797,262	866,893
	3,950,787	3,962,689
Operations:		
Fundraising (schedule 1)	683,257	554,763
Community special events	72,824	64,562
Investment management fee	13,598	20,405
	4,720,466	4,602,419
Excess of revenue over expenses (expenses over revenue) before the undernoted	(23,536)	219,471
Income from joint venture	1,083	4,524
Unrealized gain (loss) on investments	(95,621)	31,519
Excess of revenue over expenses (expenses over revenue)	\$ (118,074)	\$ 255,514

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Changes in Net Assets

Year ended December 31, 2018, with comparative information for 2017

	Invested in 417 Bagot Group (note 4(a))	Invested in capital assets (note 8)	Reserves (note 9)	Restricted for endowments (note 17)	Unrestricted	2018 Total	2017 Total
Balance, beginning of year	\$ 408,536	\$ 43,459	\$ 460,000	\$ 1,958,253	\$ 232,083	\$ 3,102,331	\$ 1,489,686
Excess of revenue over expenses (expenses over revenue)	1,083	(16,747)	—	—	(102,410)	(118,074)	255,514
Endowment contributions	—	—	—	169,416	—	169,416	1,357,131
Interfund transfer	—	—	(72,410)	—	72,410	—	—
Net change in investment in capital assets	—	8,261	—	—	(8,261)	—	—
Balance, end of year	\$ 409,619	\$ 34,973	\$ 387,590	\$ 2,127,669	\$ 193,822	\$ 3,153,673	\$ 3,102,331

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used for):		
Operating expenses:		
Excess of revenue over expenses (expenses over revenue)	\$ (118,074)	\$ 255,514
Item which does not involve cash:		
Amortization of capital assets	16,747	15,973
Unrealized gain (loss) on investments	(95,621)	31,519
Change in non-cash working capital:		
Pledges receivable	42,224	(134,977)
Accounts receivable	(3,834)	12,598
Prepaid expenses	8,037	12
Accounts payable and accrued liabilities	93,091	146,120
Monies held in trust	8,577	(189,896)
Deferred contributions non-campaign	47,897	(2,930)
Deferred campaign revenue	25,020	506,443
	24,064	640,376
Financing activities:		
Endowment contributions	169,416	1,357,131
Investing activities:		
Purchase of capital assets	(8,261)	(14,561)
Increase in long-term investments	(164,207)	(2,305,851)
	(172,468)	(2,320,412)
Increase (decrease) in cash	21,012	(322,905)
Cash, beginning of year	2,064,009	2,386,914
Cash, end of year	\$ 2,085,021	\$ 2,064,009
Represented by:		
Cash in bank	\$ 1,072,807	\$ 895,716
Short-term investments	1,012,214	1,003,750
Cash in long-term investments	—	164,543
Cash, end of year	\$ 2,085,021	\$ 2,064,009

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Notes to Financial Statements

Year ended December 31, 2018

United Way of KFL&A is a not-for-profit organization incorporated without share capital under the laws of Ontario. United Way of KFL&A's services are provided to the Kingston, Frontenac, Lennox & Addington community. United Way of KFL&A is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met. These requirements have been met as at December 31, 2018.

United Way of KFL&A's mission is to build and strengthen the community by bringing people and resources together to facilitate change. United Way of KFL&A's vision is a future where people are self-sufficient in a community where individuals live with hope, dignity and a sense of belonging.

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 CPA Canada Handbook – Accounting.

(a) Revenue recognition:

United Way of KFL&A uses the deferral method of accounting for contributions for not-for-profit organizations.

United Way of KFL&A conducts a public campaign for funds during the last quarter of each calendar year in order to fund programs and to identify and work on issues for the subsequent fiscal year. Accordingly, campaign revenue of the current year is deferred to the subsequent fiscal year. All allocations that are scheduled to be disbursed more than twelve months after the current year-end are financed from the subsequent year's campaign.

Pledges receivable at the end of the year reflect amounts outstanding from the preceding campaign, less an allowance for pledge losses. Allowances are provided for amounts estimated to be uncollectible. This policy conforms to that adopted by the majority of United Way organizations.

Other unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Primary sources of other unrestricted contributions recognized as revenue during the year are funds transferred to and from other United Ways, community special events and investment income.

Restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(a) Revenue recognition (continued):

Endowment contributions are recognized as direct increases in endowment net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

(b) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to United Way of KFL&A's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized using the following annual rates:

	Rate
Furniture and equipment	20% diminishing balance or 10 years straight-line basis
Telephone system	30% diminishing balance basis
Computer equipment	30% diminishing balance or 2 to 3 years straight-line basis
Computer software	2 years straight-line basis
Leasehold improvements	10 years straight-line basis

(c) Contributed services:

Volunteers contribute a substantial number of hours each year to assist United Way of KFL&A in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.

United Way of KFL&A receives gifts in kind from some donors, primarily for campaign costs of printing, supplies, advertising and public relations. These amounts are excluded from revenue and expenses.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements 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 year. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period in which they become known.

(e) Net asset reserves:

(i) Contingency Reserve Fund:

There is a requirement for United Way of KFL&A to be fiscally responsible in its operations, which requires United Way of KFL&A to be in a position to meet outstanding obligations to staff and third parties under any unexpected circumstances. These funds are intended for contingency purposes, to be accessed only after formal approval of United Way of KFL&A's Board of Directors.

(ii) Endowment Reserve:

The endowment reserve is an Eternity Fund managed by the United Way of KFL&A Investment Committee and is externally restricted with the principal being preserved in perpetuity. The income earned from the Eternity Fund is internally restricted and is used to support essential programs ensuring donations to the Eternity Fund will benefit future generations.

(iii) Unrestricted Reserve:

This reserve is the cumulative surplus/deficit of United Way of KFL&A activities and it is up to the discretion of the United Way of KFL&A Board of Directors regarding the use of these funds.

(f) Employee future benefits:

United Way of KFL&A has a defined contribution plan providing pension and post-employment benefits for its employees. The cost of the defined contribution plan is based on the required contributions during each period.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(g) 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 subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. United Way of KFL&A has elected to subsequently carry all of its short-term investments and all of its long-term investments, excluding the investment in a joint venture, 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.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, United Way of KFL&A determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount United Way of KFL&A expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Short-term investments:

	2018	2017
High interest savings account (1.85%)	\$ 1,012,214	\$ 1,003,750

Short-term investments are invested in a manner to allow the organization to access funds for operational needs on short-term notice with minimal investment risk.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Pledges receivable:

	2018	2017
2017 Campaign	\$ 296,753	\$ –
2016 Campaign	14,432	348,092
2015 Campaign	–	7,317
Less allowance for pledge losses	(56,000)	(58,000)
	<u>\$ 255,185</u>	<u>\$ 297,409</u>

4. Long-term investments:

(a) Investment in 417 Bagot Group:

United Way of KFL&A has a one-half interest in a joint venture, the 417 Bagot Group (“Group”), together with another agency (Resolve – Counselling Services Canada) to own and manage the building in which the two agencies carry on their operations. The investment in the joint venture is recorded on the equity basis which reflects the net income or loss of the Group for the year ended December 31, 2018. The following information represents United Way of KFL&A’s proportionate share of the assets, liabilities, revenue, expenses, excess of revenue over expenses and cash flows in this joint venture:

	2018	2017
Assets		
Cash	\$ 42,472	\$ 36,822
Accounts receivable	1,395	1,469
Capital assets	387,400	403,753
	<u>\$ 431,267</u>	<u>\$ 442,044</u>

	2018	2017
Liabilities and Co-tenants’ Capital		
Accounts payable and accrued liabilities	\$ 3,339	\$ 6,815
Current portion of long-term debt	8,774	8,385
Due from related parties	625	625
Long-term debt	106,950	115,723
Co-tenant’s capital	311,579	310,496
	<u>\$ 431,267</u>	<u>\$ 442,044</u>

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Long-term investments (continued):

(a) Investment in 417 Bagot Group (continued):

Excess of revenue over expenses:

	2018		2017	
Revenue	\$	71,420	\$	71,747
Expenses		70,337		67,223
	\$	1,083	\$	4,524

Cash provided by (used in):

	2018		2017	
Operating activities	\$	14,035	\$	25,549
Financing activities		(8,385)		(8,012)

There are no significant differences in accounting policies between 417 Bagot Group and United Way of KFL&A. The amount reported as long-term investment on the Statement of Financial Position is determined as follows:

	2018		2017	
Contributions since commencement	\$	146,086	\$	146,086
Gain in earnings since commencement		86,070		84,987
Reallocation of co-tenants' capital up to one-half share		101,960		101,960
Payment of market value in excess of book value for one-third share up to one-half share		98,040		98,040
Major repairs funded by the replacement reserve		(22,537)		(22,537)
	\$	409,619	\$	408,536

The two participants in the joint venture are jointly and severally liable for a loan. As at December 31, 2018, the principal balance of the loan in aggregate is \$231,446 (2017 - \$248,215).

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Long-term investments (continued):

(b) Financial investments:

	2018	2017
Mutual funds	\$ 1,124,032	\$ 984,154
Endowment fund investments held with CIBC Wood Gundy	2,245,116	2,126,249
	\$ 3,369,148	\$ 3,110,403

As per the United Way of KFL&A's Investment Policy, short-term needs require short-term solutions, such as cash accounts (extremely liquid cash) or low risk fixed income type of investments. Longer term needs, may allow time to invest in equities, which generally have higher short-term risks but better long-term growth potential.

Unrestricted reserves are to be invested in a manner that when needed, the investments can be converted to cash on short-term notice with minimal investment risk.

Restricted reserves may be invested in longer term investments to grow the investment pool by at least the annual rate of inflation.

Endowment Fund will follow the investment strategy as per the Investment Policy of the United Way of KFL&A.

5. Capital assets:

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Furniture and equipment	\$ 83,115	\$ 76,135	\$ 6,980	\$ 4,143
Telephone system	43,537	42,028	1,509	2,155
Computer equipment	169,450	157,364	12,086	20,420
Computer software	95,783	81,385	14,398	16,741
Leasehold improvements	8,999	8,999	—	—
	\$ 400,884	\$ 365,911	\$ 34,973	\$ 43,459

Cost and accumulated amortization of capital assets at December 31, 2017 amounted to \$392,624 and \$349,165, respectively.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

6. Accounts payable and accrued liabilities:

	2018	2017
Accounts payable and accrued liabilities	\$ 145,037	\$ 121,570
Donor designations	221,799	163,686
Grants payable	372,927	361,416
	\$ 739,763	\$ 646,672

Included in accounts payable and accrued liabilities are government remittances payable of \$12,292 (2017 - \$6,333), which includes amounts payable for harmonized sales tax and payroll-related taxes.

7. Monies held in trust:

In 2007, United Way of KFL&A entered into a contract with the Corporation of the City of Kingston (the "City") to provide services, on a trust basis, to administer the Healthy Community Fund. The services include:

- (a) administration of the Healthy Community Fund application process;
- (b) determination and approval of grants from the Healthy Community Fund;
- (c) contracting with successful applicants as an agent of the City; and
- (d) issuing approved grants and tracking fulfillment of conditions of each grant.

	2018	2017
Opening balance	\$ 15,390	\$ 205,286
Receipts	189,378	-
Disbursements	(180,801)	(189,896)
Ending balance	\$ 23,967	\$ 15,390

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

8. Invested in capital assets:

(a) Investment in capital assets is calculated as follows:

	2018	2017
Capital assets	\$ 34,973	\$ 43,459

(b) Change in net assets invested in capital assets is calculated as follows:

	2018	2017
Excess of expenses over revenue:		
Amortization of capital assets	\$ (16,747)	\$ (15,973)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 8,261	\$ 14,561

9. Reserves:

Reserves consist of:

	2018	2017
Contingency Reserve Fund	\$ 160,000	\$ 130,000
Youth Homelessness Reserve	227,590	330,000
Balance, December 31	\$ 387,590	\$ 460,000

(a) Contingency Reserve Fund:

In accordance with policy, the balance in the reserve is to be maintained within a range of 10% to 20% of the operating budget. Contingency reserve funds are intended for contingency purposes, to be accessed only after formal approval by United Way of KFL&A's Board of Directors.

(b) Youth Homelessness Reserve:

Using proceeds from the Kingston Penitentiary Tours, the Board of Directors passed a motion to set aside these funds to be spent in the area of youth homelessness. This reserve is internally restricted and is intended for the programs that support the plan to end youth homelessness.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

10. Pledge recovery (loss):

	2018	2017
Pledge loss - current year campaign	\$ (56,000)	\$ (58,000)
Recovery (pledge loss) - relating to 2016 and earlier campaigns	(50,448)	59,351
	<u>\$ (106,448)</u>	<u>\$ 1,351</u>

11. Commitments:

United Way of KFL&A has entered into a lease with the 417 Bagot Group, a related joint venture, for use of its premises at 417 Bagot Street, Kingston. This lease requires monthly payments of \$4,807 and has no pre-determined expiration date.

United Way of KFL&A also leases various office equipment under various leases.

The minimum annual lease payments on all existing lease agreements for the next five years are as follows:

2019	\$ 93,429
2020	87,122
2021	61,658
2022	58,328
2023	57,683
	<u>\$ 358,220</u>

12. Related party transactions:

United Way of KFL&A has a one-half interest in a joint venture, the 417 Bagot Group, as detailed in note 4 to these financial statements. United Way of KFL&A rents premises from the joint venture as disclosed in note 11.

These transactions are in the normal course of operations and are measured at the exchange amount, being the amount of consideration established and agreed to by the relevant party.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

13. Employer-employee group plan:

United Way of KFL&A is a participant in a group registered retirement savings plan. United Way of KFL&A contributes, on behalf of each eligible employee, an amount equal to the employee's contribution to a maximum of 5% earnings. During the year, United Way of KFL&A expensed \$32,317 (2017 - \$32,081) under this group registered retirement savings plan arrangement.

14. Financial risks and concentration of risk:

As a result of holding financial instruments, United Way of KFL&A is exposed to investment risk, market risk, interest risk and credit risk. The following is a description of those risks and how United Way of KFL&A manages its exposure to them.

(a) Investment risk management:

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to interest rate and market risk. United Way of KFL&A mitigates these risks with an investment policy designated to limit exposure and concentration while achieving optimal return within reasonable risk tolerances.

(b) Market and interest rate risk:

The risks associated with the investments are the risks associated with the securities in which the funds are invested. The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. The value of securities will vary with developments within the specific entities which issue the securities. The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. Changes in interest rates may also affect the value of equity securities.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. United Way of KFL&A is exposed to credit risk with respect to the pledges receivable, accounts receivable, short-term investments and certain of its long-term investments. United Way of KFL&A assesses, on a continuous basis, pledges receivable, accounts receivable, short-term investments and certain of its long-term investments and provides for any amounts that are not collectible. United Way of KFL&A has provided for certain pledges receivable as disclosed in note 3. United Way of KFL&A has determined that there is no impairment to the accounts receivable or the relevant investment balances as at December 31, 2018.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

15. Re-allocation of administration expenses:

General management and administrative expenses are re-allocated between fundraising expenses, distributions and community programs and service expenses, and community impact initiatives expenses based on the organization's budget allocation at the beginning of the year in which the administrative expenses are incurred. This re-allocation is based on pro-rated staff time.

	2018	2017
Fundraising	49%	43%
Distributions & community programs & services	27%	28%
Community impact initiatives	24%	29%
	100%	100%

16. Transparency, accountability and financial reporting:

The United Way of KFL&A 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:

	2018		2017	
Fundraising ratio:				
Total Revenue	\$ 4,696,930		\$ 4,821,890	
Add: provision for uncollectable pledges	106,448		–	
Less: recovery for collected pledges	–		(1,351)	
Total revenue for fundraising	4,803,378		4,820,539	
Total fundraising (note 16 (a)) including cost recovery and special events (schedule 1)	636,583	13.2%	477,548	9.9%
General management and administrative expense	119,498	2.5%	141,777	2.9%
Total fundraising expenses	\$ 756,081	15.7%	\$ 619,325	12.8%

(a) In 2018, the United Way of KFL&A received funds from the dissolution of the United Ways of Ontario Fund, which the Board of Directors directed towards targeted digital data analysis and marketing in the amount of \$39,869. These expenses cover digital costs aimed at enhancing United Way of KFL&A's long-term digital capabilities. These expenses increased the overall fundraising to 15.7%. Excluding these costs, a ratio of 14.9% would apply.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2018

17. Management of capital:

United Way of KFL&A defines its capital as the amounts included in its net assets.

Contributions restricted for endowment consist of externally restricted donations received by United Way of KFL&A. The endowment principal is required to be maintained intact. The investment income must be used in accordance with the various purposes established by the donors. United Way of KFL&A ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

United Way of KFL&A manages the net asset structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

United Way of KFL&A's objective when managing capital is to safeguard its ability to sustain itself as a going concern so that it can continue to provide the appropriate level of benefits and services to its beneficiaries and stakeholders. A portion of United Way of KFL&A's capital is restricted in that the organization is required to meet certain requirements to utilize its externally and internally restricted net assets, as described in note 9 for Reserves. United Way of KFL&A has internal control processes to ensure that the restrictions are met prior to the utilization of these resources and has been in compliance with these restrictions throughout the year.

Management and the Board of Directors carefully considers fundraising campaigns, grants, sponsorship and investment income to ensure that sufficient funds will be available to meet United Way of KFL&A's short and long-term objectives.

United Way of KFL&A monitors its financial performance against an annual budget. In the event that revenue declines, United Way of KFL&A will budget for reduced distributions and reduced operational expenses.

UNITED WAY OF KFL&A

Schedule 1 - Administration, Fundraising and United Way Community Investments Programs Expenses
Distributions and community programs and services

Year ended December 31, 2018, with comparative information for 2017

	Administration	Fundraising	Distributions and community programs and services	2018 Total	2017 Total
Direct costs:					
Salaries and benefits	\$ 154,289	\$ 421,399	\$ 231,483	\$ 807,171	\$ 727,706
Other direct costs	64,017	92,726	30,435	187,178	223,806
Digital data analysis and marketing (one-time)	–	39,869	–	39,869	–
	218,306	553,994	261,918	1,034,218	951,512
Amortization of capital assets	16,747	–	–	16,747	15,973
Occupancy costs	8,820	24,088	13,232	46,140	43,940
Total expenses before reallocation of administrative expenses and cost recovery	243,873	578,082	275,150	1,097,105	1,011,425
Reallocation of administrative expenses (note 15)	(243,873)	119,498	65,846	(58,529)	(95,616)
Cost recovery	–	(14,323)	–	(14,323)	(19,011)
Total expenses	\$ –	\$ 683,257	\$ 340,996	\$ 1,024,253	\$ 896,798