

United in **Local Love**



United Way
Kingston, Frontenac,
Lennox and Addington



Annual Report

2021

Over **74,000 individuals** in the KFL&A community were helped locally through **61 organizations and 127 programs.**

A decorative graphic in the bottom left corner of the page. It features a stylized hand in a light orange color, with the index finger pointing upwards and slightly to the right. The hand is holding a large, solid heart shape, also in a light orange color. The background of the entire page is a solid, vibrant red.

Table of Contents

Mission, Values, Strategic Direction.....	4
2021 Board Chair and CEO Report.....	5
2021 Board of Directors	7
Equity Diversity Inclusion and Indigenization	8
Accountability	12
Initiatives.....	14
2020 Major Events	18
2021 Major Events	20
Treasurer’s Report	23
Financial Highlights	24
Community Impact	26
Helping Kids Be All They Can Be	30
Building Strong and Healthy Communities	32
Moving People from Poverty to Possibility	34
Impact of Covid-19	36
Homelessness	38
Labour Report.....	41
2021 Campaign Cabinet.....	42
2021 Campaign Chair Message	45
2021 Campaign by the Numbers	46
Leadership Challenge Grants in 2021	48
Women United.....	51
Retirees United	51
Get Involved.....	52
Eternity Fund.....	55
Donor-Advised Fund.....	56
Emergency Assistance Fund.....	57

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 and partnerships to address root causes, focus on prevention and provide intervention and support for vulnerable populations
- Intentionally engage diverse groups in all that we do

Communicate the Impact

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

Invest in the future

- Align fundraising strategy and respond to current trends
- Focus on wellbeing of employees, succession planning
- Investment of resources to support and build capacity in agencies post-pandemic

Equity Diversity Inclusion and Indigenization (EDII)

- Build EDII capacity in agencies
- Use EDII lens in fundraising, granting, resource allocation
- Identify the issues, partner with agencies and community to collect qualitative and quantitative data

Board Chair & CEO Report

"Crises like a war, or a pandemic, tend to accelerate a trend that would have unfolded over twenty years, and compress it down to twenty months."

- Philip E. DeVol & Eugene K. Krebs

The past two years have been extremely challenging for too many individuals, families, agencies, and businesses in the KFL&A region. Yet, during these difficult times, we've witnessed several projects that were on the distant radar emerge and be put into action due to the extreme escalation of community needs caused by COVID-19.

One example is the Integrated Care Hub, which provides a safe, caring environment for people who experience addictions, mental health, or homelessness. The Community Food Redistribution Warehouse is another example. The warehouse provides ample space for local agencies to receive large donations, and for volunteers to pack food boxes, and to wash and store fresh produce.

In addition to these collaborative projects, the United Way has responded to multiple requests for financial assistance during the pandemic. For example, close to \$5 million in grants was distributed through 127 programs in 2021.

Donation drives were also conducted for menstrual hygiene products, clothing, and food to help agencies whose program users were experiencing an increase in need.

The COVID-19 pandemic has disproportionately affected the marginalized and vulnerable, reminding us that there is still work to be done on equity, diversity, inclusion, and indigenization. Over the past year, the United Way's Equity Diversity Inclusion & Indigenization Roundtable provided our Board and management with valued insight and guidance, helping us along our journey of learning. As we navigate our way through another year of pandemic uncertainty, our focus is on supporting local agencies to provide essential services to meet the growing needs of people who are vulnerable in KFL&A.

This annual report provides you with the highlights of the year, as well as a quick review of the past two years. It's gratifying to look back at all that has been accomplished, thanks to the generosity of donors and the countless hours of hard work by volunteers, frontline agencies, and the many partners who collaborated in so many crucial ways. All had one thing in common: a single-minded drive to make this community a safer, healthier place for everyone.

We'd like to thank our Board of Directors for their consistent and ongoing recognition of the growing needs in the region, our dedicated and efficient staff team, and the amazing frontline agencies and partners who came together to support our families, friends, and neighbours.



Patrick Murphy
Chair, Board of Directors



Bhavana Varma
President & CEO



Staff Team

For more information about the United Way KFL&A staff team visit: www.unitedwaykfla.ca/stafteam/

2021 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, accountability and stewardship.



Chair
Patrick Murphy



Past Chair
Leanne O'Mara



Vice Chair
Mary C. Rae



Vice Chair
Jessica Bayne-Hogan



Treasurer
Patrick Legresley



Director
Richard Allen



Director
Briana Broderick



Director
Krishna Burra



Director
Peter Clarke



Director
Daren Dougall



Director
Scott Harris



Director
Antje McNeely



Director
Brian O'Neill



Director
Kevin Snedden



Director
Matthew Van Nest



Director
Michelle Wilson



President & CEO
Bhavana Varma

“ I give to the United Way because I support the work of the United Way in serving vulnerable children, youth, and adults in our area. ”

- Donor





Equity Diversity Inclusion and Indigenization

The issues faced as a community can only be addressed when all in our community feel welcome and live with hope, dignity and a sense of belonging. United Way believes inclusion increases trust, understanding, respect and collaboration.

Goal

United Way of KFL&A will demonstrate its ongoing commitment to represent the diverse nature of our communities, promoting and practising inclusion in all things we do.

We will:

- Increase and grow diversity on committees, volunteer groups, board of directors and staff
- Fund, steward and build the capacity of organizations that have inclusion and diversity as a core part of their mandate
- Support and educate agencies and community to grow their EDII capacity through workshops, training, sharing resources
- Ensure the voices of communities are heard, their cultures respected
- Work with organized Labour, businesses, organizations, agencies to promote the value of our diverse communities

Equity Diversity Inclusion and Indigenization

Our United Way is one of 1,800 United Ways world-wide, and one of 70 autonomous United Ways in Canada. Almost all United Ways are working on their Equity Diversity and Inclusion strategies and are at various stages of their respective journeys.

The Board of Directors reviewed communities of practice, resources and frameworks. Through conversations and with the guidance of the Equity Diversity Inclusion & Indigenization Roundtable, they have identified four key areas of focus.

1. Organizational Culture and Practices

The United Way has been working on several related initiatives including recruitment of volunteers on operational and governance committees with an EDII lens and building a focus on equity and inclusion in all operational and departmental plans.

Recruiting practices were reviewed and changes made, using some of the learnings from workplaces that have been successful in this area.

Employees have developed goals and consulted with employees to build EDII into their activities and plans, including Orange Shirt Day which was an opportunity to reflect and learn more about Indigenous culture and history.

2. Capacity Building

Discussions are ongoing with partner agencies. With the guidance of an Agency Advisory Committee an environmental scan was conducted to learn more about where agencies are in their journey and what resources they need to support them.

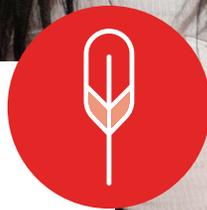
Agencies also recommended United Way build some questions into the funding application to help them identify specific actions, policies they may want to consider. This has been included and is outlined in the Community Investment Strategy. EDII is now one of the focus areas for the funding review process; the self-assessment done by agencies provides a baseline against which they can track their own progress.

3. Data Collection

Collection of social identity data provides agencies with opportunities to understand the people they are serving and provides them with information to adapt and improve the experience of program users. With input from agencies and the EDII Roundtable, United Way will work with 5-6 pilot agencies to create centres of learning. This project will help all of us learn about the opportunities and challenges in collecting social identity data and will develop a community of practice to help agencies learn from the pilots.

4. Resource Allocation (granting)

Some work has been started in this area, building in opportunities for grants for agencies working with diverse populations. We will continue to build on this and support grassroots and frontline agencies that are led by BIPOC members and those that serve marginalized groups. United Way KFL&A has increased the diversity of volunteers who make funding decisions/recommendations and will continue to recruit a diverse pool of volunteers.



United Way of KFL&A respectfully acknowledges that the land on which we live and work is the **traditional territory of the Anishinaabe, Haudenosaunee and the Huron-Wendat peoples.** We honour their cultures and support their commitment to this land.

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 5 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 low. 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: www.canada.ca/en/services/taxes/charities.html.

The Compensation Committee periodically benchmarks CEO salaries of not for profit organizations within the region. They regularly review the compensation levels of 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.

Risk Management

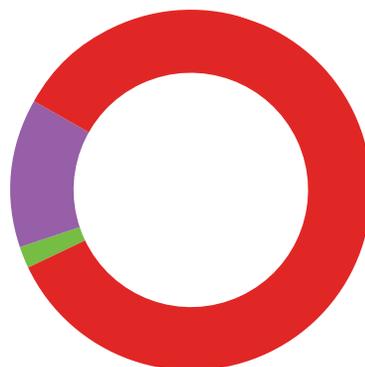
To view risk management planning, visit www.unitedwaykfla.ca/riskmanagement

For the Year Ending 2021

90.7% Funds invested directly into programs and services

7.8% Fundraising costs

1.5% Related Administrative Costs



\$6,325,030

Total revenue

\$491,617

Fundraising costs

\$93,932

Related Administrative Costs

* Canada Revenue Agency's benchmark for fundraising and administrative cost ratio is 35%



5 Star Rating

United Way KFL&A has been recognized for accountability and transparency in financial reporting, having received a 5 star rating by **Charity Intelligence Canada, and is rated as one of the top 100 charities in Canada.**



Initiatives

United Way KFL&A works closely with partners on a number of community initiatives through the year. This includes donation drives and programs. Learn more about these initiatives.



Backpack Campaign

United Way coordinates the Backpack Program across the KFL&A region, securing donations from individuals, businesses, and workplaces.

The program distributes backpacks and school supplies to ensure that families and children have all they need for another school year.

In 2020, **1,400** children and youth received supplies and backpacks

In 2021, **1,700** children and youth were provided with backpacks and supplies to start the school year

Learn more at www.unitedwaykfla.ca/backpackprogram

Day of Caring

United Way Day of Caring is an opportunity for volunteers to show their local love. In 2021, this event was adapted to conform with pandemic restrictions. In lieu of hands-on projects, volunteers could show their caring by organizing a donation drive within their workplace or neighbourhood, put together food or hygiene kits for community members in need or donate funds to help agencies run programming for a day.

\$7,000 was contributed towards agency days of caring

300 food and hygiene kits were donated



Learn more about this year's Day of Caring at www.unitedwaykfla.ca/dayofcaring

Tampon Tuesday

United Way KFL&A partners with local organizations and workplaces for this annual collection drive in the region, in line with International Women's Day.



Menstrual hygiene products are among the most requested items at local food banks and shelters, but the least donated. In an effort to fill this gap, United Way KFL&A asks workplaces, families, neighbourhoods and individuals to donate products that are then distributed to agencies throughout the community.

Over **45,000** menstrual hygiene products collected and distributed in 2020

128,000 menstrual hygiene products collected and distributed in 2021

Learn more at www.unitedwaykfla.ca/tamponduesday/

"Period products can be expensive and are a necessary item. Can you imagine worrying about buying a product that you need or buying food for your family? We see this with women who have fled domestic violence and are struggling to make ends meet. Having these donated products helps clients use their money to buy other necessities."
- Kingston Interval House

Winter Clothing Drive

As temperatures drop and winter approaches, coats and warm clothing become a necessity. Many community members rely on donated items to help them keep warm and United Way KFL&A works with local community members to collect donations and distribute these through agencies that serve the most vulnerable.

Over **1,100** items were collected during the two-week donation drive



Learn more at www.unitedwaykfla.ca/winterclothingdrive



Homelessness Collective Impact Committee

In Kingston, there are over 200 people who are not permanently housed. This number does not include the hidden homeless – people who may be living rough, couch-surfing or accessing other inadequate housing options.

The Homelessness Collective Impact Committee (HCIC) was convened in late 2021 by the United Way of KFL&A. The objective is to design, develop and adapt a system of care to address homelessness in Kingston (and area) with a people-centric and solution-focused approach, with insight from service providers and people with living and lived experience. This committee acknowledges the increasing numbers and complexity of people with substance use, mental health and resulting behaviour challenges, who need support to help them along their path to being housed.

Learn more about the HCIC at www.unitedwaykfla.ca/HCIC

Leadership Development Services (LDS)

United Way strengthens the voluntary sector by providing training workshops.

The Leadership Development Services (LDS) program provides workshops and custom training sessions to non-profit organizations throughout KFL&A. Workshops are designed for board members, staff and volunteers to develop the skills and knowledge needed to become effective and responsible leaders.

In 2021, more than 200 people attended 5 LDS public workshops.

Learn more at www.unitedwaykfla.ca/lds

Seniors Food Boxes

Initiated and designed in response to an identified need, United Way works with Kingston Community Health Centres and many volunteers to have hundreds of boxes of food delivered to low-income seniors in need throughout KFL&A.

In 2020 **1,121** Seniors Food Boxes were delivered

In 2021 **1,348** Seniors Food Boxes were delivered throughout KFL&A



Learn more at www.unitedwaykfla.ca/communityresources/



Orange Shirt Day

United Way KFL&A participates in Orange Shirt Day in September. The day is an Indigenous-led grassroots commemorative day that honours the children who survived Indian Residential Schools and remembers those who did not.

This day relates to the experience of Phyllis Webstad, a Northern Secwepemc (Shuswap) from the Stswecem'c Xgat'tem First Nation, on her first day of school, where she arrived dressed in a new orange shirt, which was taken from her. It is now a symbol of the stripping away of culture, freedom and self-esteem experienced by Indigenous children over generations.

By wearing orange, and spending time on reflecting and remembering, volunteers and staff are reminded that every child matters.

Community Food Redistribution Warehouse

In the KFL&A region and across the country, the COVID-19 pandemic accentuated the importance of food security. Access to healthy food has become an essential part of response, recovery, and ongoing stabilization. The importance of centralizing and coordinating food reclamation, collection and distribution has been highlighted.

The Community Food Redistribution Warehouse (CFRW) is a partnership between Lionhearts, Kingston Community Health Centres, United Way, Rotary of Kingston and the City of Kingston, to establish a warehouse to facilitate the efficient collection and distribution of large donations of food to agencies. Agencies that provide meals or food as part of their programs can also use the space and storage as available, working in collaboration with the coordinating agency, Lionhearts.

Learn more at: www.unitedwaykfla.ca/communityfoodredistributionwarehouse/

Pink Shirt Day

United Way KFL&A participates in Pink Shirt Day in February each year. The day encourages everyone to practice kindness and wear pink to symbolize that you do not tolerate bullying. United Way created a "Kindness Unites Us" shirt to help spread this message. Shirts can be purchased to increase awareness about the importance of being kind. This is an awareness event, rather than a fundraiser.



Learn more at www.unitedwaykfla.ca/pinkshirtday

2020



March/April



First Tampon Tuesday donation drive in the region

Pandemic declared, office closes and employees shift to working remotely

Funding shifts to support agencies through whatever is needed – PPE, take out containers, technology and more

Masks are made mandatory by KFL&A Public Health; United Together is launched locally helping to provide masks for individuals

The Social Services Recovery Task Force is started by UW to focus on stabilization, collaboration and coordination among social services sector

July/August



Through bulk donations 86,000 chocolate bars and 460 cases of toilet paper and tissue are donated for agencies in the community



UW hosts annual Backpack Program adapted to allow for pandemic restrictions

November/December



34 volunteers help to distribute over \$1.7 million to 29 agencies and 38 programs through the allocations process

Drop-in meal and warming centre opens with funding support from United Way



City of Kingston and UW call for applications to Community Investment Fund – 17 agencies receive over \$315,000

Community raises over \$3.5 million through annual campaign surpassing goal

Covid-19 Response Fund launches raising over \$360,000 in 2020

New Horizons for Seniors program launches helping with food, isolation, and support – Seniors' Food Box Program launches in response to newly identified need



May/June



Emergency Community Support Fund announced – administered by United Way KFL&A, 42 programs receive grants totalling over \$818,000

Reaching Home confirms additional funding through the United Way to support people who are homeless



The Integrated Care Hub opens with funding support from UW

Virtual Campaign Kickoff and Leadership Challenge Grant announced encouraging community members to give if they can



September/October



UW hosts annual community Coat Drive as well as a donation drive at the Leon's Centre to support community members

Round two of Emergency Community Support Fund – 22 programs receive grants totalling over \$190,000

“ Because of United Way's investment, we have been able to respond generously, and compassionately, to a community in crisis. ”

- **Executive Director, Morningstar Mission**



2021



January/ February



Bell donates 700 cell phones for individuals in vulnerable situations and isolating to help them stay connected

Needs in the community continue to grow and United Way continues working with agencies to address needs and support

United Way is part of Kingston Response Group with City, Public Health, agencies, to collaboratively address needs of community



Point In Time Count takes place in community with covid restrictions



May/June

Working with community partners, Path Home Kingston anti-stigma awareness campaign launches, sharing stories, resources



Day of Caring adapts to restrictions and encourages community to donate kits for agencies

November/December

Winter clothing drive collects items to keep community warm

2nd virtual campaign launches with ambitious goal reflecting increased needs; Leadership Challenge Grant and Women United Challenge Grant announced



Record-breaking United Way campaign total of \$3.8 million announced



35 volunteers help to distribute over \$2 million to 31 agencies and 49 programs through the allocations process



2nd annual Tampon Tuesday donation drive runs virtually

Covid-19 Response Fund continues with matching grant – raises over \$125,000 in 2021

UW and City of Kingston offer 2nd round of Community Investment Fund 19 agencies receive over \$375,000

March/April



UW launches Quaranteens, virtual Sby6 activities to support and raise awareness about mental health struggle of children and youth

Virtual Workplace Volunteer Awards held with take-out meals for volunteers



July/August

UW forms Equity, Diversity, Inclusivity and Indigenization Roundtable in the community

Women United and Retirees United groups both host separate panel discussions about issues vulnerable members of the community are facing

September/October



UW hosts 2nd annual Backpack Program and distributes to over 1,200 families

First in-person Women United event since 2019 takes place at Lake Ontario Park focused on Indigenous programming



New Community Food Redistribution Warehouse hosts pre-launch tours for community partners

United Way, City of Kingston & agencies collaborate to open Warming Centre on Concession Street with meal, support and overnight programs



“ I give to the United Way because I have been a recipient of United Way funded services & believe they are integral for our community ”

- Donor

Treasurer's Report

As I complete my first year as Treasurer, I am very pleased to share a few financial highlights from 2021. Despite the global pandemic, our community continued to show their love and compassion as we saw our fundraising revenues increase to record highs. Your contributions are invested into our community to help those in need. We could not do it without you. Thank you!

UW KFL&A also partners with many different agencies. For example, the Federal Government contributed a grant of \$1,761,649 through the Reaching Home Program which was invested directly into the local community to continue the important work to reduce homelessness.

Program grants increased in 2021. These grants are provided to local, front-line agencies. These agencies continue to see an increased demand for their services from the most vulnerable people in our community and we expect this trend to continue.

The United Way KFL&A keeps its fundraising cost ratio as low as possible while understanding that we need to invest in fundraising efforts to grow revenues. Our fundraising cost ratio was less than 10% in 2021. This is abnormally low and we do expect this ratio to increase in future years.

Our financial investments performed very well in 2021 with an unrealized gain of approximately \$539,000, which contributed significantly to our annual surplus. Financial markets are subject to volatility, as we have seen in early 2022. Our investment committee ensures investments are aligned with our Investment Policy Statement (IPS) in order to manage financial market risk.

As a result of increased revenues, significant unrealized gain on investments and savings from unfilled staff positions, our United Way saw an in-year surplus of approximately \$781,000. Given our surplus position, the Board of Directors has approved an in-year deficit for fiscal year 2022 so we can maximize the investment into the KFL&A community.

I would like to extend my sincere appreciation to the members of the Finance & Audit and Investment Committees, CIBC Wood Gundy and in particular the staff of the United Way KFL&A for their efforts, guidance and support. The work you do ensures the United Way funds are stewarded responsibly so we can support the most vulnerable for years to come.

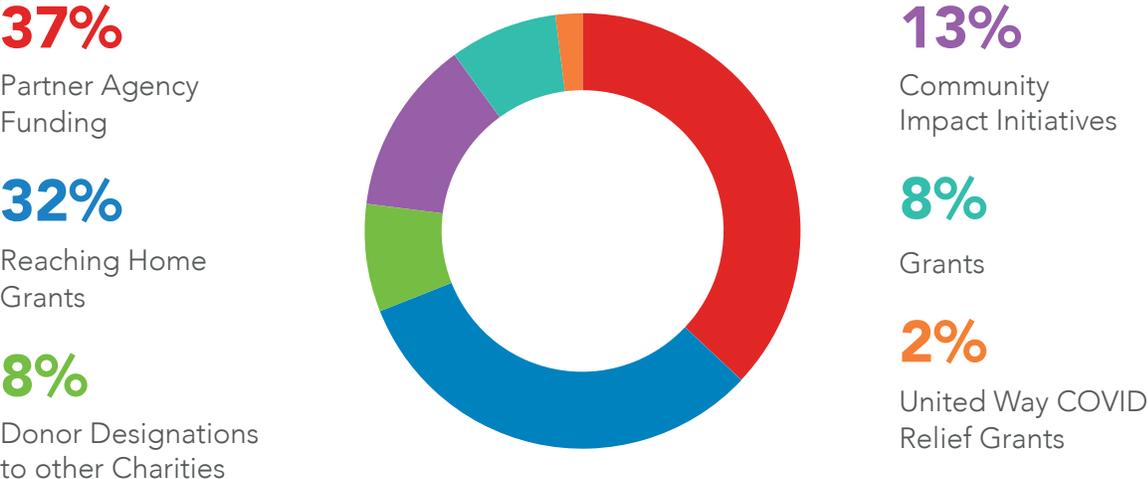


Patrick Legresley
Treasurer

Financial Highlights

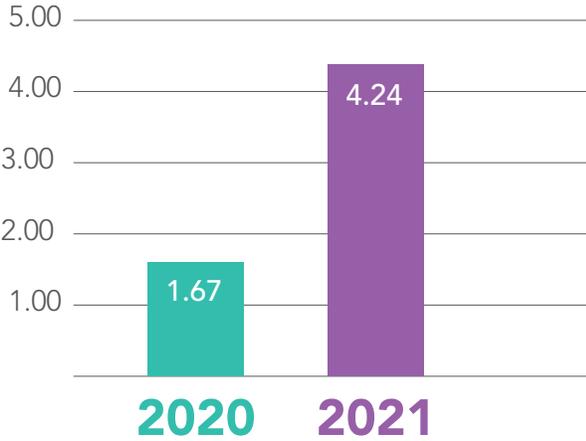
We provide financial statements in alignment with Canadian Accounting Standards for not-for-profits and with United Way Centraide Canada’s Transparency, Accountability and Financial Reporting guidelines.

Where the Money was Spent



In 2021 your contributions helped to build a stronger social support network. This network of services provides the foundation to the entire community and allows people to live with hope, dignity and a sense of belonging. To view our financial statements visit: www.unitedwaykfla.ca/financial-statements/

Financial Liquidity



United Way takes the financial stewardship of donor dollars seriously. We continuously monitor the assets of the organization against our current (short-term) liabilities to ensure this ratio remains above 1.0. This provides us with a quick analysis as to how easily we can meet short-term financial liabilities. In 2021 our ratio was well above 1.0 at 4.24.



Fiscal Responsibility

To be fiscally responsible and to ensure the smooth operation of the United Way KFL&A, several reserves are held for various purposes. A contingency reserve is held to ensure legal commitments can be achieved in the event of a dissolution of the United Way KFL&A. Additionally a partner agency and youth homelessness reserve is intended for the programs that support the United Way KFL&A community investment strategy in the event needs in the community exceed fundraising efforts.

40%

Endowments

27%

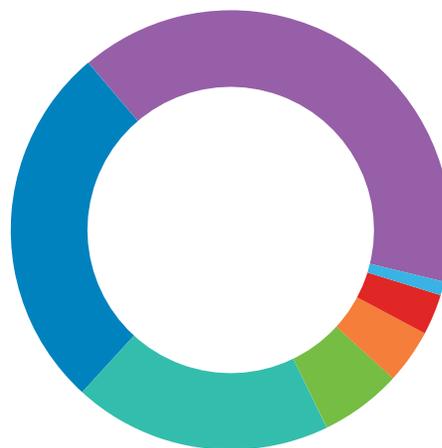
Agency Reserve

19%

Unrestricted Reserve

6%

Invested in Facilities



4%

Contingency Reserve

3%

Youth Homelessness Reserve

1%

Invested in Capital Assets

Community Impact

United Way of KFL&A funds programs locally. The money raised here stays here.

United Way funding supports a network of agencies that provide vital programs to thousands of people in the region – single parents, abused women, families, young children and teenagers, the elderly, the physically challenged, the homeless. These programs support local residents, helping them when they need it the most.

74,083

people were helped in KFL&A through United Way funded programs last year.

Funding Distribution by Impact Area

40%

Helping Kids Be All They Can Be

24%

Building Strong and Healthy Communities

36%

Moving People From Poverty to Possibility



Community Investment By The Numbers

Helping Kids Be All They Can Be

- 10 Agencies
- 20 Programs
- **People served: 29,647**



Building Strong and Healthy Communities

- 31 Agencies
- 46 Programs
- **People served: 18,047**



Moving People From Poverty to Possibility

- 20 Agencies
- 61 Programs
- **People served: 26,389**





Changing Lives Locally

Geographic Distribution

People Served

Kingston & Frontenac 66,449

Lennox & Addington 7,634



United Way strategically invests in programs and initiatives that focus on underlying causes to create lasting change. United Way researches and understands 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 that impact people in our local region.

Additionally, United Way has always funded programs that support immediate needs and respond to local issues. More than ever, this immediate response to local needs has been apparent during the pandemic and has been critical in being able to support those who are most vulnerable.

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. It provides agencies with guidelines that are used to evaluate and assess funding applications.

Context

During the Covid-19 pandemic, United Way has focused on immediate needs, funding programs that support basic needs: food and meal preparation and distribution, shelter services, mental health supports, and tools necessary to support frontline agencies.

Similar to the experience of other communities across Canada, food and meal distribution emerged as the highest need. Agencies delivering meals adapted by providing take-out meals, and the demand quickly grew exponentially. Counselling was moved to virtual contact rather than in-person.

The City of Kingston worked quickly to move shelters to spaces that allowed for physical distancing in congregate living settings.

As pandemic restrictions lift, agencies are reporting an increase in demand, including from clients who may never have accessed their services earlier. There has been more awareness that the pandemic disproportionately impacted women and people of colour. Equity, Diversity, Inclusion and Indigenization is an important area of focus.

United Way will continue to identify areas of need and will invest in programs and initiatives that are most relevant to the current situation at any given time. An equity lens will be used to ensure that funded programs serve the most vulnerable, especially in this time of crisis.

Volunteer Review Process

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 meeting virtually with agencies.



In 2021 **35 volunteers** were involved in the allocations process. They recommended **\$2,008,167 in funding to 49 programs and 30 partner agencies**

Helping Kids Be All They Can Be

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

United Way focuses on

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

29,647
children and youth
accessed programs
to **reach their
highest potential**

“ With our funding, we go right to the grocery store or a local supplier and purchase the food that helps a student take advantage of everything school has to offer. You can be confident that your donation stays here and supports students in KFL&A. We believe it takes a community to feed a child and, in this community, we are grateful that the United Way is here to help us. ”

- **Brenda Moore,**
Food Sharing Project

The Issues

Here are some examples of the challenges individuals in KFL&A are facing. With your support, agencies and programs can work to address these issues.

78% of girls say they hate their bodies, leading to poor self-confidence and, often, eating disorders

1 in 3 people in Canada experienced bullying as a child

1 in 7 high school students in Ontario report symptoms of a substance use problem

1 in 3 children in Canada are at risk of going to school hungry



The Impact



1,297 young girls attended programs to increase their self-esteem and learn healthy behaviours



85 high school students had intense tutoring and mentoring to help them graduate



21,100 nutritious snacks and meals were provided to students at school or at home for virtual learning



1,002 children and youth received specialized treatment for substance use and addictions issues

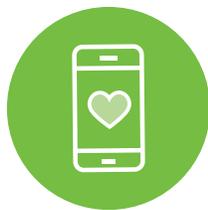


1,732 children and youth were engaged with social and recreational after-school activities

The Impact



6,278 people had access to mental health supports and community supports to help them feel connected



17,000 people accessed community services by calling 211 or chatting online



2,698 people with disabilities had access to employment and navigation support services



3,049 LGBTQ2S+ youth accessed safe and inclusive activities to develop connections in the community



217 women and children left violent and abusive relationships by accessing safe emergency shelter and supports



Building Strong and Healthy Communities

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

United Way focuses on

- Connection
- Physical and mental wellbeing
- Safety

18,047
people were helped
by programs and
initiatives supporting
**personal wellbeing
and safety**

“ United Way funds our Individual and Family counselling and Children and Youth counselling programs, allowing us to waive fees for those in need of these services and helping people receive support for anxiety, depression, grief counselling, trauma and more. I can tell you firsthand that this support has impacted thousands and thousands of people. ”

- **Kim Irvine-Albano,**
Resolve Counselling
Services Canada

The Issues

Here are some examples of the challenges individuals in KFL&A are facing. With your support, agencies and programs can work to address these issues.

1 in 5 Canadians experience a mental illness or addiction problem

1 in 3 women will experience sexual violence in their lifetime

83% of surveyed youth self-identified as having mental health challenges

59% of adults with disabilities are less likely to be employed

Moving People from Poverty to Possibility

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

United Way focuses on

- Housing stability
- Food security
- Financial security

26,389
people were helped
by programs and
initiatives in meeting
their basic needs and
**moving them
out of poverty**

“ I grew up poor and had a very unhappy childhood. I moved to Kingston as an adult and I struggled with housing. Through the United Way I was connected with a case manager to help me find stable housing. This support lifted me up and now I have a beautiful little place to live in. Having a place to call home has given me a sense of responsibility and a more positive outlook on life. ”

- John Dickson

The Issues

Here are some examples of the challenges individuals in KFL&A are facing. With your support, agencies and programs can work to address these issues.

\$1,402 is the average rent for a 2-bedroom apartment in Kingston

\$966 is the average amount a family of four will see their grocery bill increase this year

Almost **4 million** Canadians are considered to be living in poverty

5-7% is the projected rise in food costs in Canada



The Impact



223,482

meals were served through food programs, including takeout, food boxes and in-person meals



1,011

children and youth in KFL&A received warm boots for the winter



323

job seekers with low-income were provided work attire and supports to gain employment



956

low-income parents and children participated in early years programming, including pre and post-natal care, parenting groups, and learning/development programs

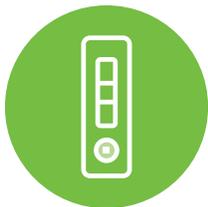
The Impact



379 people experiencing domestic violence had access to safe housing and support programs



1,842 people received mental health support through virtual counselling sessions



10,000 individual rapid tests were distributed to agencies in KFL&A in partnership with Canadian Red Cross



40,036 people were served through in-person meal programs, food programs and walk-in food programs



3,763 kids, adults and seniors received support through virtual and outreach programs to help reduce social isolation



Impact of COVID-19

As the impacts of the pandemic continue, United Way KFL&A has continued to find ways to develop collaborative approaches to the situations and needs, working with agencies to ensure essential community programs can continue to serve all residents, especially community members in vulnerable situations.

The Needs

- Food Security
- Addictions, Mental Health, Homelessness, Counselling
- Support Services

“ Thank you, you will never know the big sense of relief I got when I opened the package. Everyone is amazing in providing the Food Box. ”

- Seniors' Food Box Recipient

The Issues

Here are some examples of the challenges individuals in KFL&A are facing. With your support, agencies and programs can work to address these issues.

33% of seniors reported that their mental health was "somewhat" or "much" worse than before the pandemic

Over **70%** of children and youth between the ages of 2 and 18 reported worse mental health during the initial COVID-19 lockdown

24% of Canadians were unable to access mental health services during the pandemic

1 in 7 Canadians indicated they lived in a household with food insecurity during the second wave of the pandemic

1 in 4 Canadian adults self-reported symptoms of depression, anxiety, or post traumatic stress disorder in the spring of 2021

20-30% increase in gender based violence due to COVID-19 lockdowns in Canada

Homelessness

The issue of homelessness is a complex one that requires different sectors of a community to come together to find local solutions – funders, service providers, healthcare professionals, community organizations and groups – with the voice of people with lived experience informing and guiding strategy and decisions.

The goal is to work with agencies and programs from all sectors to collectively focus on prevention, providing timely intervention and building a network of resources. A higher number of people experiencing homelessness (207) were counted during the 2021 Urban Kingston Point in Time Count, compared to 2018.

“ Through the United Way I was able to connect with programs and agencies that helped me get my life back on track, raise my son, and now, live on my own. ”

- Bobbi

The Issues

Here are some examples of the challenges individuals in KFL&A are facing. With your support, agencies and programs can work to address these issues.

31% of those experiencing homelessness in Kingston identify as Indigenous; people who are Indigenous make up approximately 3.4% of the area population

53% of those surveyed who were experiencing homelessness reported that they did not have enough income to afford rent and rents were too high

15 is the average age that surveyed youth became homeless

40% of those experiencing homelessness in the Kingston area are women, higher than the national average of 36%

80% of surveyed respondents during the 2021 Point in Time Count self-identified as experiencing a mental health issue

1.4% vacancy rate in Kingston in 2021; second-lowest vacancy rate in Ontario



The Impact



1,013 individuals accessed supports including emergency shelters, counselling and transitional housing



43 youth (and their families) received supports to resolve conflicts and prevent youth from entering the shelter system



537 households at risk of eviction received supports and legal aid to remain housed



50 Indigenous individuals were connected to culturally appropriate or specific support services and programming



“ I give to the United Way because healthy food and mental health supports should be available to everyone in the community. ”

- Donor

Labour Report

The Labour Services Committee would like to extend its congratulations to all the volunteers, staff and workplace campaigners who have helped the United Way KFL&A in its record-setting 2021 campaign during another exceptionally difficult year. A special thanks goes to Labour's Campaign Cabinet representative, Rejean Bruneau, who is a member of the Union of National Defense Employees. Rej has been essential in maintaining the strong relationship between Labour and United Way in Kingston, Frontenac, Lennox and Addington.

The Kingston and District Labour Council is a proud long-time partner with the United Way KFL&A. Our two movements have much in common, namely the health, security, respect and dignity for the people of the region. It is on this basis that our partnership remains strong. The partnership extends to the Canadian Labour Congress (CLC) and the United Way Centraide Canada. With 10,000 affiliated members, the KDLC and the United Way continue to combine their resources and organizational strengths to realize our common goals.

For a second straight year, union members have given their time, energy and passion to the United Way KFL&A during the COVID-19 pandemic. Their contributions have helped the UW KFL&A achieve its fundraising goals. The United Way was present and participating in the annual Labour Day barbecue and parade organized by the KDLC and held this year at Victoria Park. Labour's concern about the rising cost-of-living and housing insecurity in our community has only strengthened the relationship with the United Way.

2021 was also a year of transition for the Labour-United Way KFL&A partnership. Efforts were initiated to hire a suitable candidate for Labour Community Services Manager position which had been vacant for some time. The result was the hiring of Douglas Nesbitt who began work in March 2022. Douglas is a long-time union activist in several unions, including CUPE, PSAC and SEIU Local 2. As a former delegate to the Kingston & District Labour Council, Douglas has been able to bring a lot of experience and knowledge to the position, and has been working with long-time predecessor Darlene Medhurst.

Yours in solidarity,

Labour Community Services Committee

Chris Snooks, Jordan Morelli , Steve Garrison,
Janet Heyman, Rej Bruneau

2021 Campaign Cabinet



Daren Dougall

2021 Campaign
Cabinet Chair

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.



Antje McNeely
Past Campaign Chair
Kingston Police



Shawn Armstrong
Municipal
Kingston Fire & Rescue



Elizabeth Bardon
Healthcare & Agencies
Kingston Health
Sciences Centre



Ryan Boehme
Municipal
Utilities Kingston



Rejean Bruneau
Labour Liason
Kingston & District
Labour Council



Nancy Bradshaw
Commercial
Post Media (Retired)



Gale Chevalier
First Responders
County of Frontenac



David DeSantis
Education
ALCDSB



Patrick Deane
Education
Queen's University



Chris Doucet
Finance
CIBC



George Jacob
Manufacturing
DuPont Canada



Holley Kew
Provincial
St. Lawrence Parks
Commission



Sergiy Kolosov
Provincial
Ministry of Training,
Colleges and
Universities



Stéphane Masson
Government
CFB Kingston



Dennis McAllister
Manufacturing
Invista



**Krista
Wells Pearce**
Healthcare & Agencies
Providence Care



Kevin Snedden
GCWCC
Correctional Service



Jim Parker
Retirees United Chair
Parsons (Retired)



Patrick Murphy
Leaders of the Way
Co-Chair
Secura Financial Group



Gillian Sadinsky
Leaders of the Way
Co-Chair
In-House Yoga



Scott Harris,
Leaders of the Way
Canadian Border
Services Agencyw



**Jessica
Bayne Hogan**
Leaders of the Way



Jane Lapointe
Leaders of the Way
Assante Wealth
Management

Women United



Jessica
Bayne Hogan
Co-Chair



Jane Lapointe
Co-Chair
Assante Wealth
Management



Elizabeth Brown
Women United



Heather Cole
Women United
Queen's University



Antje McNeely
Women United
Chief, Kingston Police



Laurie Ross
Women United
Queen's University



Gillian Sadinsky
Women United
In-House Yoga



Michelle Wilson
Women United
TD Bank Group



Desirée Kennedy
Women United
City of Kingston

“ United Way supports the community, it is local love. They don't send the money away, they pass the money forward to the people in our community. United Way steps up and steps forward. ”

- Daren Dougall,
2021 United Way
Campaign Chair

Retirees United



Jim Parker
Chair



Arlene Aish
Retirees United



Brian Chenoweth
Retirees United



Marina Lee
Retirees United



Jeff Moore
Retirees United



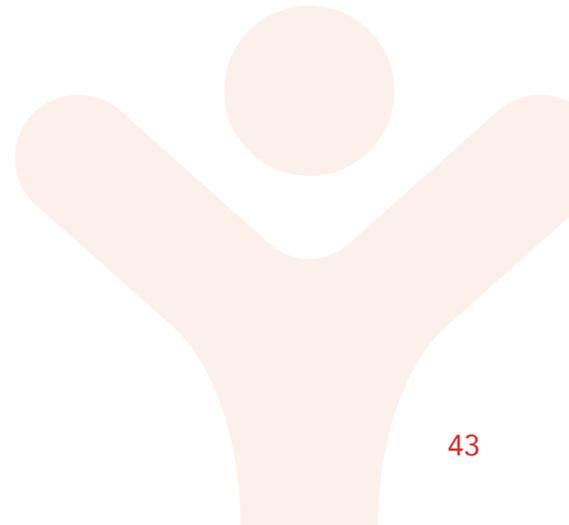
Valerie Robb
Retirees United



Tim Salmon
Retirees United



Nancy Drew
Retirees United





“ I give because I believe that the United Way is the mortar that holds our community together! ”

- Donor

2021 Campaign Chair Message

We live in an incredible community!

When I was approached to serve as the 2021 United Way Campaign Chair, I never worried about the success of the campaign or the generosity of our community. I have lived in KFL&A most of my life and I know how we look out for each other. I know we have a long history of charitable giving. I see how individuals, businesses and community partners support the most vulnerable. I didn't worry about reaching our goal because the United Way goal reflects what the community needs and I knew our community would step up to meet those needs.

And we sure stepped up! Every donor, workplace organizer, United Way staff member and literally hundreds of United Way volunteers throughout KFL&A, pitched in to ensure the campaign was successful and that our friends, family, and neighbours would receive the support they needed through our amazing partner agencies. The truth is that being the Campaign Chair wasn't work; it was an incredible honour and privilege. I can think of no better way to spend a year than visiting local workplaces and agencies and seeing first hand the energy and enthusiasm – and the deep commitment to our campaign. Truly, it was local love in action.

I would be remiss if I didn't acknowledge some of the many individuals who went over and above the call to support the 2021 campaign: Paul and Ray DiRinaldo matched all donations to the United Way's COVID-19 fund; Jim and Julie Parker supported the Leadership Grant Challenge, effectively doubling the impact of any new donors at the leadership level; and Jessica Bayne Hogan added to the challenge by further matching any woman donor new to the leadership giving level, thereby TRIPLING the impact!

Finally, hats off to all those who initiated workplace campaigns or donated for the first time. Welcome aboard the United Way train! When you see the impact of your giving, I guarantee you will be on that train for life!

I am deeply moved (but not surprised!) by the overwhelming generosity that our community showed during the 2021 campaign. And though the challenges of the last two years are beginning to wane, the needs of our most vulnerable community members will continue.

The United Way will be there for them and I know you will too!



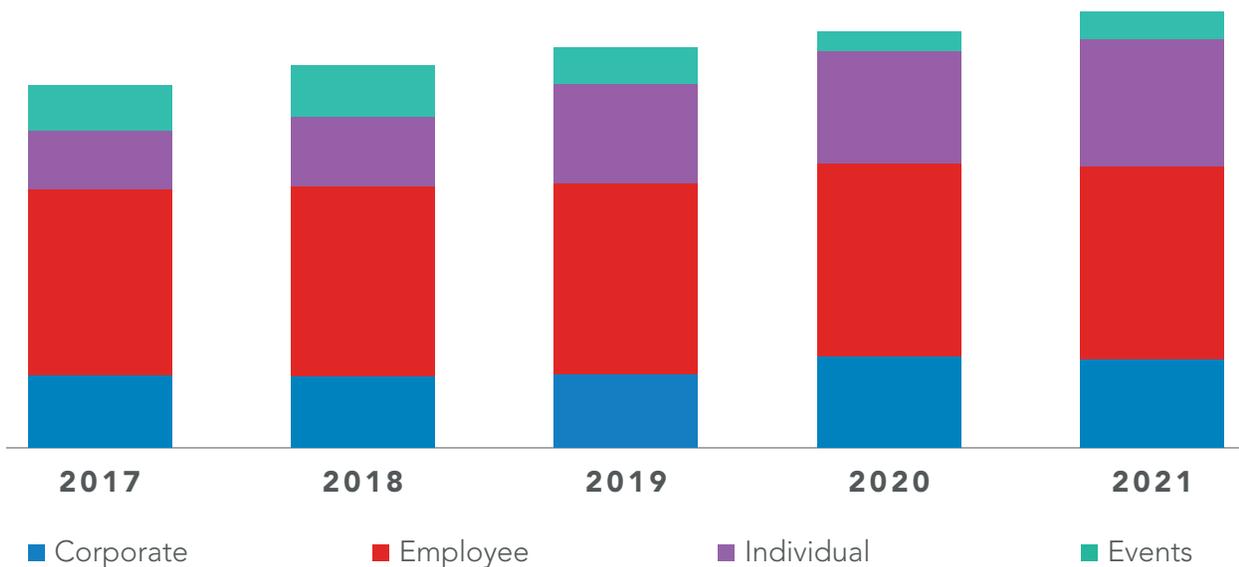
Daren Dougall
2020 Campaign Chair

2021 Campaign by the Numbers

During the 2021 campaign, the community raised over \$3.5 million in support of local programs and services.

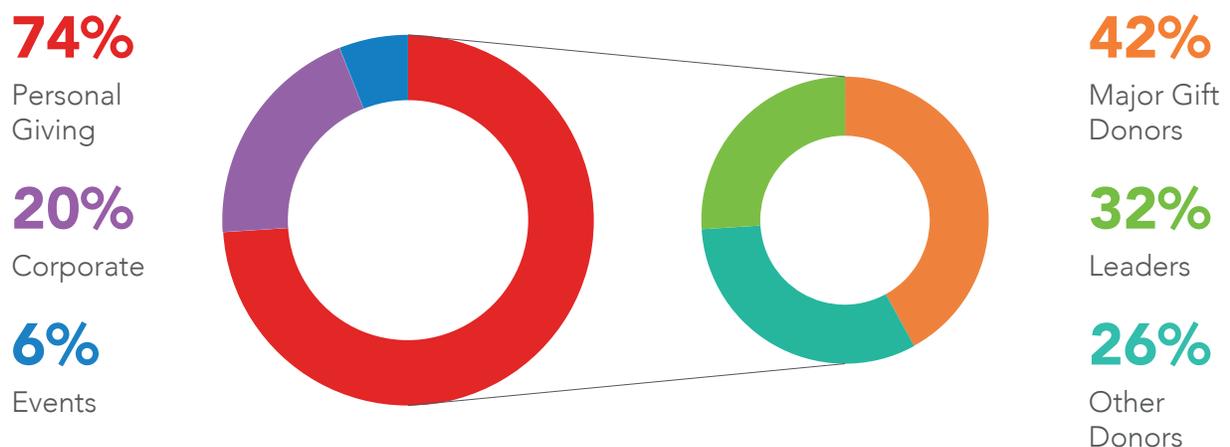
5 Year Campaign Results

In 2021, the campaign raised 16% over the community goal



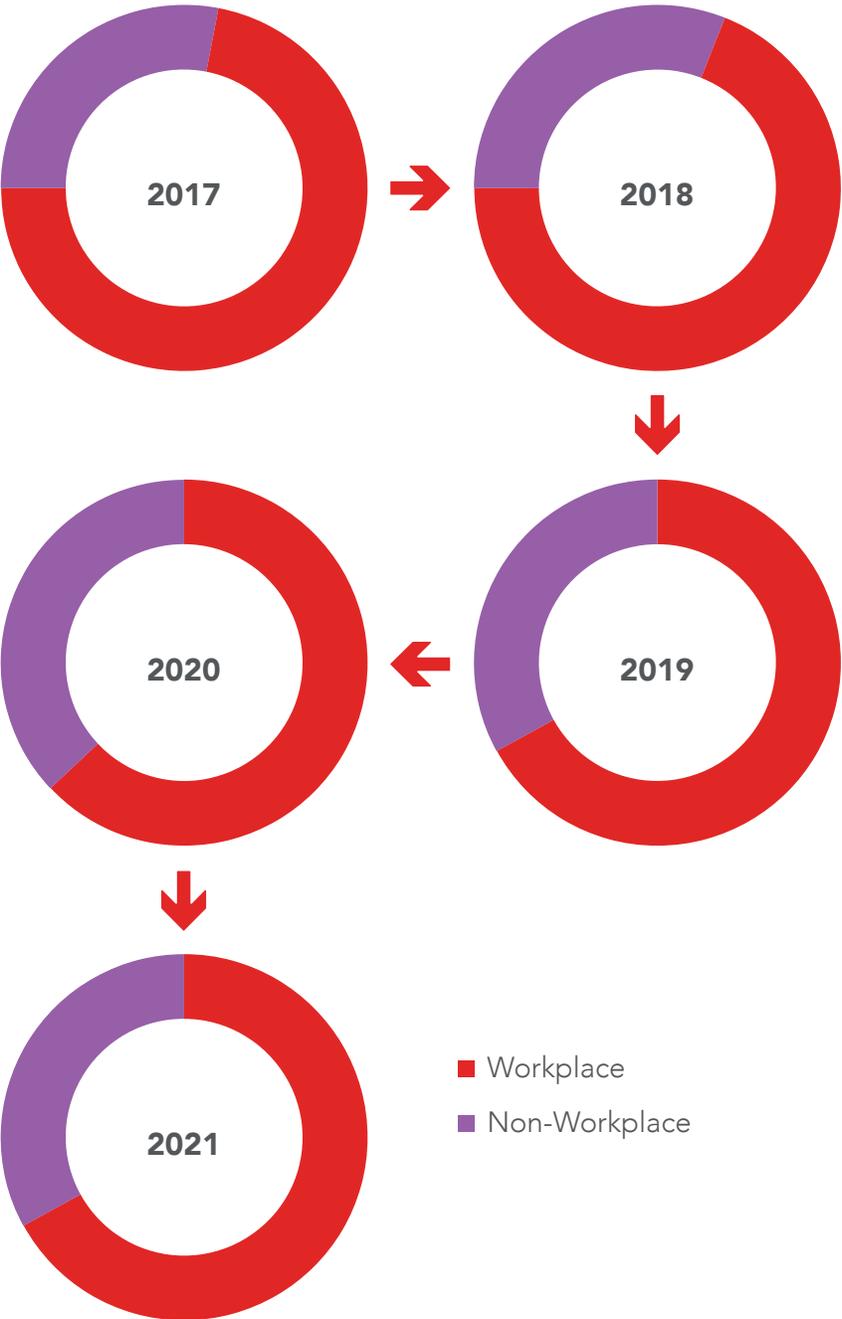
Campaign and Personal Giving Breakdown

Personal gifts make up the bulk of campaign revenue. People donated 74% of the campaign in 2021. Of this personal giving, three quarters is from 635 people giving at the Leadership level ie \$1200 or more



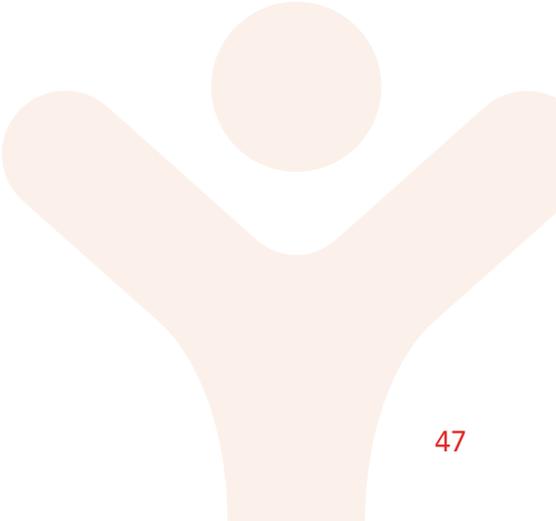
5-year Change: Workplace and Non-Workplace

There was a shift in percent of revenue from workplace campaigns. Workplace revenue dollars stayed consistent through these years and an intentional focus on individual giving outside the workplace resulted in growth in revenue. **As a result of this increased giving outside the workplace, workplace giving went from being 67% of the overall campaign to 62% in 2021**



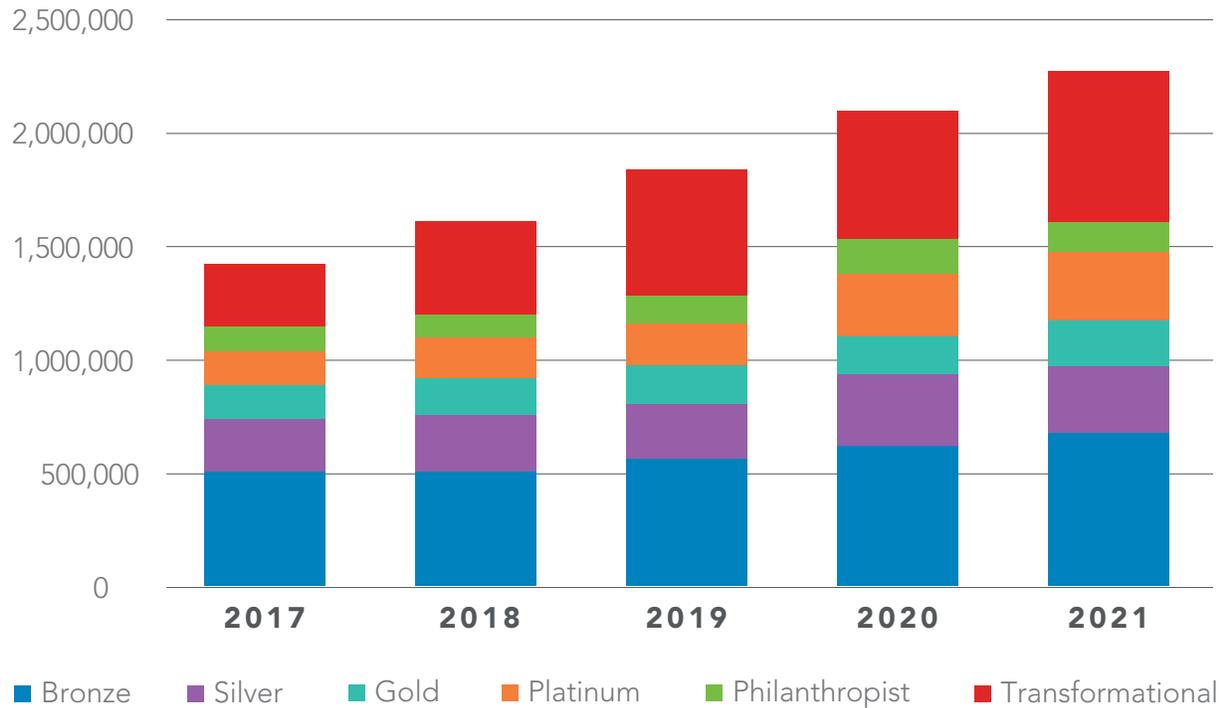
“ I didn’t realize how many of my own co-workers and people I knew used United Way funded services. Getting involved and knowing it could be helping my neighbor, my co-worker, that’s what drove me to be part our workplace campaign. ”

- Employee Campaign Chair, Empire Life



5 Year Leadership by Level

Leaders of the Way (donors who give \$1,200 or more annually) donated over \$2 million. Leadership giving increased 8% in 2021. The Honour Roll, recognizing Leaders of the Way, is available here www.unitedwaykfla.ca/honourroll/



Leadership Challenge Grants in 2021

In 2021, donors had an opportunity to make even more of an impact thanks to three Challenge Grants. In response to the pandemic, donors who gave in the beginning of 2021 had their donation matched thanks to a generous matching grant from RDR Wealth Management. Through this, over \$126,000 was raised for the Covid-19 Response Fund.

Donors who increased their annual campaign contribution to \$1,200 or made a new \$1,200 gift had their donation matched thanks to a generous donation from Jim and Julie Parker.

Donors who were already "Leaders of the Way" and added at least 10% to their previous year's gift also saw their increased donation matched. As a result, 82 new Leaders donated \$227,000 and 223 Leaders increased their donation by 10% or more.

Women who gave at the Leadership level (\$1,200 or more) also had their gift matched through the Women United Leadership Challenge Grant, thanks to the generosity of Jessica Bayne Hogan. As a result, 40 new women became Leaders donating \$152,000

Learn more about Leadership Giving at www.unitedwaykfla.ca/leadershipgiving



Leadership Giving Levels

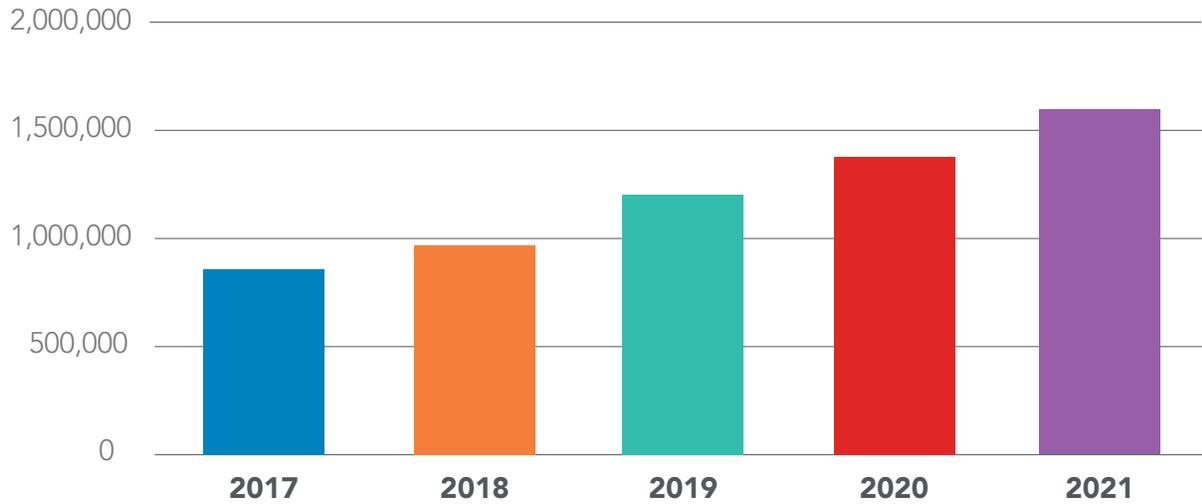
Transformational	\$100,000+
Philanthropist Circle	\$25,000 - \$99,999
Platinum	\$10,000 – \$24,999
Gold	\$5,000 – \$9,999
Silver	\$2,500 – \$4,999
Bronze	\$1,200 – \$2,499



Women United brings together like-minded women who want to use **their skills, talents and resources to contribute to their community in a significant way.**

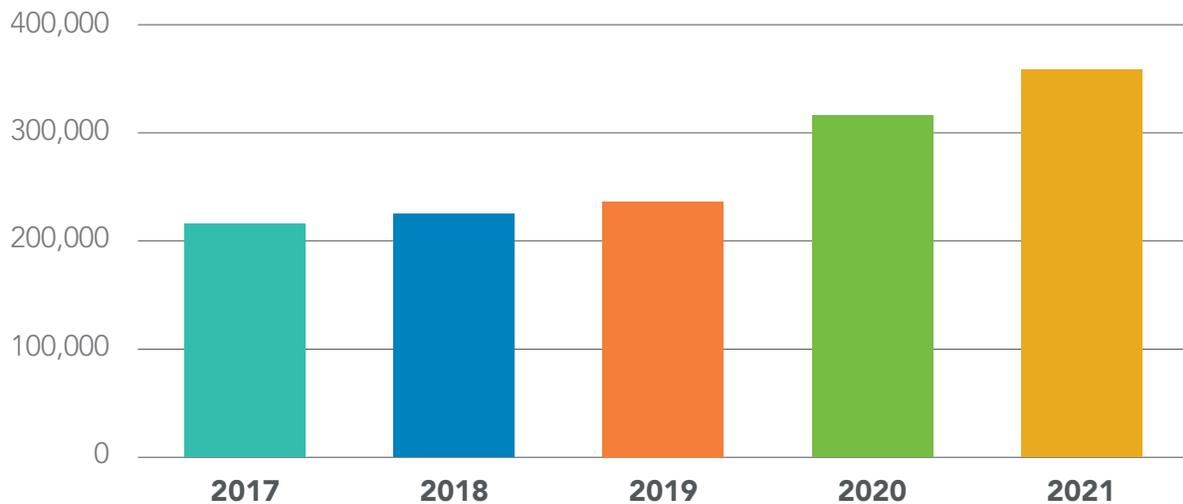
Women United

Women United is made up of women who give individually or jointly with a partner. Women donors are a driving force of the annual campaign contributing over \$1.5 million in 2021. Women United donations have increased by 86% over the past 5 years. In 2021, the Women United Challenge Grant helped to incentivize women Leaders in the community and as a result, 40 new women Leaders, contributed \$152,000. Learn more about Women United at www.unitedwaykfla.ca/womenunited



Retirees United

Retirees are a critical part of United Way KFL&A's workplace campaigns with 23% of workplace leaders being retirees. Retiree donations have increased 60% over the past 5 years. Retiree giving now makes up a fifth of all employee giving. Learn more about Retirees United at www.unitedwaykfla.ca/retireesunited



Get Involved

United Way KFL&A works to provide engagement opportunities for community members through a variety of groups and activities throughout the year. Learn more about how you can get involved below.



Women United

Women United brings together like-minded women who contribute at the Leadership level. This initiative provides an opportunity for women Leaders of the Way to learn more about the community and use their skills and talents to contribute in a significant way. Members participated in virtual panels throughout the year, learning about local issues like food insecurity, mental health, human trafficking, and homelessness. In 2020, 440 women gave \$1.4 million.

In 2021 **452** women gave over **\$1.5 million**

Learn more about Women United
www.unitedwaykfla.ca/womenunited

Volunteer Centre

United Way Volunteer Centre links residents looking to volunteer with agencies and organizations that have opportunities. Nonprofit organizations from across the region can post volunteer opportunities, and the Volunteer Centre website makes them available to individuals in the community with time and talent to share. In 2020, 22 organizations posted volunteer opportunities and 105 applicants applied to volunteer opportunities.

In 2021 **29** organizations posted volunteer opportunities

67 applicants applied to volunteer



Learn more at www.unitedwaykfla.ca/volunteer-centre/

Retirees United

The goal of the Retirees United initiative is to engage retirees and those about to retire – those who are leaving a local workplace as well as retirees moving to Kingston and area.



The Retirees United committee aims to create a sense of belonging for retirees by engaging them in their community, connecting them to peers and giving them the opportunity to make meaningful contributions of both time and resources. The committee focuses on supporting workplace retiree campaigns and enhancing awareness about the United Way through condominium campaigns. In 2020 \$318,000 was contributed by retirees.

Over **\$350,000** was contributed by Retirees in 2021

Learn more about Retirees United at www.unitedwaykfla.ca/retireesunited/

Next Gen

United Way Next Gen is a local initiative focused on developing a community of stakeholders in their twenties and thirties, encouraging them to invest their time, energy and money in the community through the United Way.

The Next Gen movement is a unique opportunity for the next generation to become an integral part of the local community and bring about meaningful change.

Next Gen Workplace Ambassador

The Ambassadors work with their workplace committee to develop and execute fundraising and engagement strategies specifically tailored to their workplace.

For more information about how you can be involved contact campaign@unitedwaykfla.ca or visit www.unitedwaykfla.ca/nextgen/

Speakers Bureau

Speakers Bureau is a United Way program that recruits speakers from community organizations funded by United Way. Participants are staff members, board members, volunteers or service recipients. Typically, speakers go to events during the United Way workplace campaigns to make current and prospective donors aware of the impact of donor dollars in the KFL&A community. In 2021, participants spoke to workplaces virtually or through videos. with 26 speakers giving 101 presentations.

In 2021 **72** presentations were given by 48 speakers







Eternity Fund

United Way's Endowment Fund

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 Mrs. & 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

Estate of Charlotte Abbott

Estate of Sofie Bowman

Estate of Emma Clench

Estate of Beatrice Cohen

Estate of Eleanor Crossman

The Jannetje and Hendrik Gaveel Memorial Fund

Estate of Gelindo De Re

Estate of Charles Hubert 'Hugh' Gould

Estate of Hugheen Ferguson

Estate of Shirley Mactavish

Estate of Esther Mahood

Estate of Helen Mahood

Estate of Mary McLean

Estate of Katherine Ross Muirhead

Estate of Rose Oliver

Estate of Heather Onyett

Estate of Jeffry Piker

Estate of Margaret Reid

Estate of Harold Roberts

Estate of Brendan Savage

Estate of Alan Richard Travers

The Audrey & Peter Scholes Memorial Fund

“ 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

Donor-Advised Fund

With a Donor-Advised Fund you have an opportunity to maximize the positive impact you make through United Way KFL&A. Giving through a Donor-Advised Fund is a convenient, tax-efficient way to give back. When you create a Donor-Advised Fund directly with United Way KFL&A, you can: Name the fund, choose how you donate and how funds are disbursed, receive tax benefits, schedule donations, and simplify your giving.

A minimum of \$50,000 is required to set up a Donor-Advised Fund. United Way KFL&A will provide information about ever-changing local issues, initiatives, and the work of local charities to help in evaluating and determining your investments.

For more information visit

www.unitedwaykfla.ca/donoradvisedfund/

“ It is a privilege to have the opportunity to work with the United Way in the form of a donor-advised grant. This donation is in honour of my parents, Nan and Jack Pearson, who worked tirelessly to provide resources for us as children, so that we had what we needed to succeed in school. It is truly gratifying to have the chance to pass this on to children in our community and it has been a pleasure working with the United Way who enabled a seamless setup of this fund and was responsive to my directions for donation. The compassion and dedication of the United Way staff is apparent and I believe the fund will be administered in an efficient and accountable manner. ”

- Dr. Heather Pearson, Care BnB donor-advised fund

Emergency Assistance Fund

In 2021 the United Way of KFL&A Board of Directors approved funds to support emergency assistance programs to help people in poverty throughout KFL&A.. The expenditure of 3% of the Eternity Fund (as per the United Way KFL&A Investment Policy) allows for intervention and support of vulnerable populations by providing urgent services. For more information, please visit www.unitedwaykfla.ca/eternityfund/



4,485

low-income seniors accessed nutritious food boxes



1,011

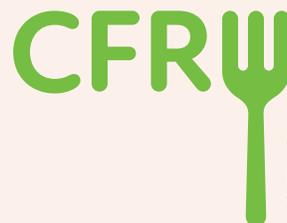
kids received warm boots for the winter



443

individuals received emergency dental assistance

Funds supported the new Community Food Redistribution Warehouse (CFRW)



**Community Food
Redistribution
Warehouse**

The Power of Local Love

Join thousands of donors who choose to change lives everyday, right here in KFL&A, by giving to our community through the United Way.



Financial Statements of
United Way of KFL&A
and Independent Auditors'
Report Thereon

Year ended December 31, 2021



KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Tel 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, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the 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, 2021, 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, 2021 and December 31, 2020
- the donations revenue and excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2021 and December 31, 2020
- 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, 2021 and December 31, 2020
- the excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2021 and December 31, 2020

Our opinion on the financial statements for the year ended and December 31, 2020 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 ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of 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.



Page 3

- 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.
- 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 audit evidence 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants
Kingston, Canada
April 5, 2022

UNITED WAY OF KFL&A

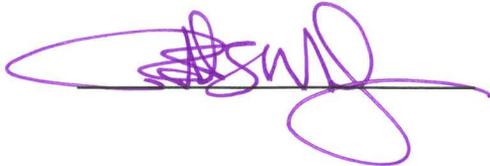
Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	\$ 746,706	\$ 1,005,566
Short-term investments (note 2)	1,380,222	2,126,876
Accounts receivable	24,108	207,492
Prepaid expenses	14,550	15,946
	<u>2,165,586</u>	<u>3,355,880</u>
Long-term investments (note 3)	5,623,811	5,143,254
Capital assets (note 4)	59,825	64,857
	<u>\$ 7,849,222</u>	<u>\$ 8,563,991</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 130,680	\$ 636,320
Monies held in trust (note 6)	150,474	204,877
Deferred contributions non-fundraising	230,039	1,149,888
Deferred event revenue	—	16,794
	<u>511,193</u>	<u>2,007,879</u>
Net assets:		
Invested in 417 Bagot Group (note 3(a))	436,204	427,088
Invested in capital assets (note 7)	59,825	64,857
Reserves (note 8)	2,496,524	2,496,524
Endowments	2,960,135	2,869,663
Unrestricted	1,385,341	697,980
	<u>7,338,029</u>	<u>6,556,112</u>
Commitments (note 9)		
	<u>\$ 7,849,222</u>	<u>\$ 8,563,991</u>

See accompanying notes to financial statements.

On behalf of the Board of Directors:



Director



Director

UNITED WAY OF KFL&A

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Fundraising revenue	\$ 4,169,994	\$ 4,016,769
Donations to internally endow	123,972	452,903
Community special events	48,024	22,536
Funds transferred from other United Ways	20,616	33,424
Funds transferred to other United Ways	(20,949)	(19,654)
Gross fundraising revenue	4,341,657	4,505,978
Reaching Home fund - COVID-19 (note 16)	1,071,716	332,389
Reaching Home grant	689,933	455,863
Canada Emergency Wage Subsidy	89,193	159,451
Investment income	86,118	85,806
Donations and other revenue, including grants	46,413	28,840
Emergency Community Support Fund (ECSF)	—	1,027,982
Kingston Penitentiary tours	—	209,706
New Horizons for Seniors Program (NHSP)	—	65,695
Canada Emergency Rental Subsidy	—	4,098
	6,325,030	6,875,808
Expenses:		
Allocations and programs:		
Program grants	2,446,023	1,979,271
Reaching Home grants – COVID-19 (note 16)	1,071,716	332,389
Reaching Home grants	689,933	455,863
Donor choice designations	452,839	394,636
United Way Community Impact Initiatives	372,539	598,348
Distributions and Community Programs and Services (schedule 1)	322,727	365,712
United Way of KFL&A COVID-19 Relief fund	91,717	250,306
United Way dues and shared costs	41,986	70,253
ECSF Grants	—	1,027,982
NHSP Grants	—	65,695
	5,489,480	5,540,455
Operations:		
Fundraising (note 14 and schedule 1)	570,531	638,828
Investment management fee	16,787	13,639
Community special events (note 14)	15,018	7,079
Rockin' the Big House (note 14)	—	8,979
	6,091,816	6,208,980
Excess of revenue over expenses before the undernoted	233,214	666,828
Income from joint venture	9,116	9,960
Change in fair value of investments	539,087	234,380
Excess of revenue over expenses	\$ 781,417	\$ 911,168

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Changes in Net Assets

Year ended December 31, 2021, with comparative information for 2020

	Invested in 417 Bagot Group (note 3(a))	Invested in capital assets (note 7)	Reserves (note 8)	Restricted for endowments (note 15)	Unrestricted	2021 Total	2020 Total
Balance, beginning of year	\$ 427,088	\$ 64,857	\$ 2,496,524	\$ 2,869,663	\$ 697,980	\$ 6,556,112	\$ 5,644,944
Excess (deficiency) of revenue over expenses	9,116	(21,463)	—	—	793,764	781,417	911,168
Endowment contributions	—	—	—	500	—	500	—
Interfund transfer	—	—	—	89,972	(89,972)	—	—
Net change in investment in capital assets	—	16,431	—	—	(16,431)	—	—
Balance, end of year	\$ 436,204	\$ 59,825	\$ 2,496,524	\$ 2,960,135	\$ 1,385,341	\$ 7,338,029	\$ 6,556,112

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used for):		
Operating expenses:		
Excess of revenue over expenses	\$ 781,417	\$ 911,168
Item which does not involve cash:		
Amortization of capital assets	21,463	14,771
Change in fair value of investments	(539,087)	(234,380)
Income from joint venture	(9,116)	(9,960)
Change in non-cash working capital:		
Accounts receivable	183,384	(176,773)
Prepaid expenses	1,396	(4,377)
Accounts payable and accrued liabilities	(505,640)	(88,303)
Monies held in trust	(54,403)	(1,313)
Deferred contributions non-fundraising	(919,849)	962,951
Deferred event revenue	(16,794)	16,794
	(1,056,229)	1,390,578
Financing activities:		
Endowment contributions	500	—
Investing activities:		
Purchase (disposals) of long-term investments, net	67,646	(429,641)
Purchase of capital assets	(16,431)	(63,166)
	51,215	(492,807)
Increase (decrease) in cash	(1,005,514)	897,771
Cash, beginning of year	3,123,442	2,234,671
Cash, end of year	\$ 2,126,928	\$ 3,132,442
Represented by:		
Cash in bank	\$ 746,706	\$ 1,005,566
Short-term investments	1,380,222	2,126,876
Cash, end of year	\$ 2,126,928	\$ 3,132,442

See accompanying notes to financial statements.

UNITED WAY OF KFL&A

Notes to Financial Statements

Year ended December 31, 2021

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.

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 follows the deferral method of accounting for contributions which include donations and government grants.

United Way of KFL&A conducts fundraising campaigns for funds each year.

Unrestricted fundraising revenue through either pledge payments or one-time donations are recorded as revenue in the year in which they are received.

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.

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. Non-endowed bequest contributions are recognized as revenue in the year in which they are received and the United Way of KFL&A Board of Directors will internally restrict these contributions for the endowment fund.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(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

The carrying amount of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(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 fundraising costs of printing, supplies, advertising and public relations. These amounts are excluded from revenue and expenses.

(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.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(e) Net asset reserves:

(i) Contingency Reserve:

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 restricted with the principal being preserved in perpetuity. The income earned from the Eternity Fund 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.

(iv) Internally restricted reserves:

These reserves are restricted by a motion from the United Way of KFL&A Board of Directors for the purpose of directing the future use of funds. The reserves of the United Way KFL&A that are internally restricted are the Contingency Reserve, the Agency Reserve, and the Youth Homelessness Reserve, as described in note 8.

(f) Employee future benefits:

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

(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.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(g) Financial instruments (continued):

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:

	2021	2020
High interest savings account	\$ 1,380,222	\$ 2,126,876

Short-term investments are invested in a manner to allow United Way of KFL&A 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, 2021

3. 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, 2021. 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:

	2021	2020
Assets		
Cash	\$ 80,967	\$ 79,078
Accounts receivable	3,888	1,306
Prepaid expenses	125	–
Capital assets	341,753	354,156
	<u>\$ 426,733</u>	<u>\$ 434,540</u>

	2021	2020
Liabilities and Co-tenants’ Capital		
Accounts payable and accrued liabilities	\$ 631	\$ 7,759
Current portion of long-term debt	87,938	9,756
Long-term debt	–	87,977
Co-tenant’s capital	338,164	329,048
	<u>\$ 426,733</u>	<u>\$ 434,540</u>

Excess of revenue over expenses:

	2021	2020
Revenue	\$ 71,540	\$ 71,515
Expenses	62,424	61,555
	<u>\$ 9,116</u>	<u>\$ 9,960</u>

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

3. Long-term investments (continued):

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

Cash provided by (used in):

	2021	2020
Operating activities	\$ 15,965	\$ 29,900
Financing activities	(9,795)	(9,120)
Investing activities	(4,281)	-

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:

	2021	2020
Contributions since commencement	\$ 146,086	\$ 146,086
Gain in earnings since commencement	112,655	103,539
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)
	\$ 436,204	\$ 427,088

The two participants in the joint venture are jointly and severally liable for a loan. As at December 31, 2021, the principal balance of the loan in aggregate is \$175,875 (2020 - \$195,465).

(b) Financial investments:

	2021	2020
Cash	\$ 8,893	\$ 15,449
Fixed income	130,000	195,000
Equities	1,377,572	1,144,637
	1,516,465	1,355,086
Endowment:		
Cash	13,094	34,904
Fixed income	265,000	390,000
Equities	3,393,048	2,936,176
	3,671,142	3,361,080
	\$ 5,187,607	\$ 4,716,166

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

3. Long-term investments (continued):

(b) Financial investments (continued):

All Exchange Traded Funds (ETFs) are classified as equities in the financial investments summary above regardless of their underlying index. As per the United Way of KFL&A's Investment Policy Statement (IPS), these include some ETFs that are cash and fixed income investments with little to no related market risk. The purpose of these ETFs is to provide reliable, extremely liquid cash flow for operations. Every quarter all investments are confirmed to be compliant with the IPS by CIBC Wood Gundy and this is verified by the Investment Committee of the United Way of KFL&A.

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.

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

4. Capital assets:

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Furniture and equipment	\$ 75,369	\$ 73,243	\$ 2,126	\$ 2,656
Telephone system	43,537	43,019	518	740
Computer equipment	241,767	193,595	48,172	55,626
Computer software	103,062	94,053	9,009	5,835
Leasehold improvements	8,999	8,999	—	—
	<u>\$ 472,734</u>	<u>\$ 412,909</u>	<u>\$ 59,825</u>	<u>\$ 64,856</u>

Cost and accumulated amortization of capital assets at December 31, 2020 amounted to \$464,051 and \$399,194, respectively.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

5. Accounts payable and accrued liabilities:

	2021	2020
Accounts payable and accrued liabilities	\$ 130,680	\$ 172,104
Grants payable	–	464,218
	<u>\$ 130,680</u>	<u>\$ 636,320</u>

Included in accounts payable and accrued liabilities are government remittances payable of \$6,805 (2020 - \$10,709), which includes amounts payable for harmonized sales tax and payroll-related taxes.

6. 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 Community Investment Fund. The services include:

- (a) administration of the Community Investment Fund application process;
- (b) determination and approval of grants from the Community Investment 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.

	2021	2020
Opening balance	\$ 204,877	\$ 206,190
Receipts	320,000	190,000
Disbursements	(374,403)	(191,313)
Ending balance	<u>\$ 150,474</u>	<u>\$ 204,877</u>

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

7. Invested in capital assets:

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

	2021	2020
Capital assets	\$ 59,825	\$ 64,857

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

	2021	2020
Excess of expenses over revenue:		
Amortization of capital assets	\$ (21,463)	\$ (14,771)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 16,431	\$ 63,166

8. Internally restricted reserves:

Reserves consist of:

	2021	2020
Contingency Reserve	\$ 316,000	\$ 316,000
Youth Homelessness	180,524	180,524
Agency Reserve	2,000,000	2,000,000
	\$ 2,496,524	\$ 2,496,524

(a) Contingency Reserve:

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:

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. On February 1, 2022, the Board of Directors approved the use of this fund to support a capital project in 2022.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

8. Internally restricted reserves (continued):

(c) Agency Reserve:

Using operational surpluses (deficits), the Board of Directors passed a motion to set aside these funds to be spent in the area of United Way partner agencies in the event of a fundraising shortfall. This reserve is intended for the programs that support community investment strategy outlined by the United Way KFL&A Board of Directors.

9. 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:

2022	\$	61,800
2023		60,739
2024		58,795
2025		57,683
2026		57,683
	\$	296,700

10. 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 3 to these financial statements. United Way of KFL&A rents premises from the joint venture as disclosed in note 9.

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.

11. 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 \$37,272 (2020 - \$39,046) under this group registered retirement savings plan arrangement.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

12. Financial risks:

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. The fixed income securities yield interest between 2.9% and 3.1% (2020 - 2.9% and 3.1%) and have maturities ranging from March 2022 to March 2023 (2020 - March 2021 to March 2023).

(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 accounts receivable, short-term investments and certain of its long-term investments. United Way of KFL&A assesses, on a continuous basis, accounts receivable, short-term investments and certain of its long-term investments for impairment. United Way of KFL&A has determined that there is no impairment to the accounts receivable or the joint venture investment as at December 31, 2021.

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

13. 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 United Way of KFL&A'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.

	2021	2020
Fundraising	42%	44%
Distributions & community programs & services	23%	26%
Community impact initiatives	35%	30%
	100%	100%

14. 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:

	2021	2020
Fundraising ratio:		
Total revenue	\$ 6,325,030	\$ 6,875,808

	2021		2020	
Fundraising expense (schedule 1)	\$ 570,531		\$ 638,828	
Community special events expense	15,018		7,079	
Rockin' the Big House expense	–		8,979	
General management and administrative expense (schedule 1)	(93,392)		(113,727)	
Total fundraising expense including cost recovery and special events	491,617	7.8%	541,159	7.8%
General management and administrative expense (schedule 1)	93,932	1.5%	113,737	1.7%
Total fundraising and related administrative expense	\$ 585,549	9.3%	\$ 654,896	9.5%

UNITED WAY OF KFL&A

Notes to Financial Statements (continued)

Year ended December 31, 2021

15. 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 and unrestricted donations received by the United Way of KFL&A that have been internally endowed by the Board of Directors. 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 United Way of KFL&A is required to meet certain requirements to utilize its externally and internally restricted net assets, as described in note 8. 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

Notes to Financial Statements (continued)

Year ended December 31, 2021

16. Administrative expenses – grant funding:

	2021		2020	
Reaching Home grants – COVID-19	\$ 909,474	85%	\$ 289,034	87%
Program Support	162,242	15%	43,355	13%
Total Reaching Home – COVID-19 grants and related program support	\$ 1,071,716	100%	\$ 332,389	100%

	2021		2020	
Emergency Community Support Fund grants	\$ –	–	\$ 1,019,238	99.1%
Program Support	–	–	8,744	0.9%
Total Emergency Community Support Fund grants and related program support	\$ –	–	\$ 1,027,982	100%

17. Impact of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization resulting in significant global and local impacts. In response to the COVID-19 pandemic, United Way KFL&A applied for and received benefits under available government assistance programs, as disclosed on the Statement of Operations.

The ongoing COVID-19 pandemic presents uncertainty over future cash flows which may cause significant changes to assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time. United Way KFL&A continues to monitor and assess the effect that COVID-19 will have on its operations and financial results.

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, 2021, with comparative information for 2020

	Administration	Fundraising	Distributions and community programs and services	2021 Total	2020 Total
Direct costs:					
Salaries and benefits	\$ 112,130	\$ 402,247	\$ 230,970	\$ 745,347	\$ 853,929
Other direct costs	82,022	69,440	28,502	179,964	182,727
	194,152	471,687	259,472	925,311	1,036,656
Amortization of capital assets	21,463	–	–	21,463	14,771
Occupancy costs	6,290	22,301	12,883	41,474	43,118
Total expenses before reallocation of administrative expenses and cost recovery	221,905	493,988	272,355	988,248	1,094,545
Reallocation of administrative expenses (note 13)	(221,905)	93,932	50,372	(77,601)	(77,541)
Cost recovery	–	(17,389)	–	(17,389)	(12,463)
Total expenses	\$ –	\$ 570,531	\$ 322,727	\$ 893,258	\$ 1,004,541

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