

United Way of Northwest Territories

Financial Statements

March 31, 2024

United Way of Northwest Territories

Financial Statements

March 31, 2024

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Independent Auditors' Report

To the members of United Way of Northwest Territories

Qualified Opinion

We have audited the financial statements of United Way of Northwest Territories, which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities 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 the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Independent Auditors' Report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 the Organization to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Yellowknife, Canada
September 21, 2024

Crowe Mackay LLP
Chartered Professional Accountants

United Way of Northwest Territories

Statement of Financial Position

March 31, 2024 2023

Assets

Current

Cash	\$ 1,446,653	\$ 245,335
Accounts receivable (note 3)	25,121	16,859
Prepaid expenses	3,400	-

\$ 1,475,174 **\$ 262,194**

Liabilities

Current

Accounts payable and accrued liabilities	\$ 458,449	\$ 71,858
Deferred donations (note 4)	746,214	25,066
Donor designations payable	1,108	626

1,205,771 **97,550**

Fund balances

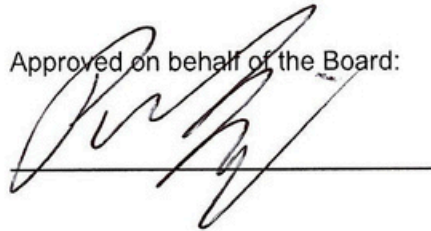
Unrestricted Net Assets	218,462	113,703
Restricted Reserve	50,941	50,941

269,403 **164,644**

\$ 1,475,174 **\$ 262,194**

Commitments (note 5)

Approved on behalf of the Board:



Member



Member

United Way of Northwest Territories

Statement of Operations

For the year ended March 31,	2024	2023
Donations and pledges		
Donations and pledges - corporate	\$ 214,679	\$ 122,146
Donations and pledges - individuals	174,440	180,191
Donations and pledges - fundraising	46,041	6,065
Funds transferred from other United Ways	12,283	25,077
Donations - Flood Relief	-	688,965
Donations - Fire Relief	2,359,254	-
	<hr/>	<hr/>
	2,806,697	1,022,444
Other revenues		
Grants	421,250	10,000
Investment Income	52,609	2,129
In-kind contributions - accounting	5,000	5,000
	<hr/>	<hr/>
	478,859	17,129
Gross excess of revenues over expenses from operations	<hr/>	<hr/>
	3,285,556	1,039,573

United Way of Northwest Territories
Statement of Operations (continued)

For the year ended March 31,	2024	2023
Expenses		
Distribution expenses		
Administration	2,584	2,851
Community Investment	195,000	257,500
Coordination expenses	11,748	6,613
Donor designated	27,651	26,596
Memberships	8,628	5,375
NWT Flood Relief	-	678,385
NWT Fire Relief	2,559,276	-
CSFR Grant	140,524	-
Food Partners Initiative	71,779	-
	3,017,190	977,320
General and administration expenses		
Administration	27,916	21,334
Advertising and promotion	14,364	2,452
Professional fees	17,473	16,608
Board meetings and development	215	1,178
Insurance	1,243	694
Interest and bank charges	811	1,018
Office	14,265	5,088
	76,287	48,372
Fundraising expenses		
Administration	50,540	11,562
Donor choice surcharge	(1,312)	(1,612)
Fees and charges	38,092	10,038
Coordination expenses	-	3,968
	87,320	23,956
	3,180,797	1,049,648
Excess (deficiency) of revenues over expenses	\$ 104,759	\$ (10,075)

United Way of Northwest Territories**Statement of Changes in Net Assets**

For the year ended March 31, 2024

	Unrestricted Net Assets	Restricted Reserve	Total 2024	Total 2023
Balance, beginning of year	\$ 113,703	\$ 50,941	\$ 164,644	\$ 174,719
Excess (deficiency) of revenues over expenses	104,759	-	104,759	(10,075)
Balance, end of year	\$ 218,462	\$ 50,941	\$ 269,403	\$ 164,644

United Way of Northwest Territories**Statement of Cash Flows**

For the year ended March 31,	2024	2023
Cash provided by (used for)		
Operating activities		
Excess (deficiency) of revenues over expenses	\$ 104,759	\$ (10,075)
Change in non-cash working capital items		
Accounts receivable	(8,262)	16,104
Prepaid expenses	(3,400)	108
Accounts payable and accrued liabilities	386,591	41,114
Deferred donations	721,148	(193,556)
Donor designations payable	482	(7,173)
	1,201,318	(153,478)
Investing activity		
Matured term deposits	-	41,513
Increase (decrease) in cash and cash equivalents	1,201,318	(111,965)
Cash and cash equivalents, beginning of year	245,335	357,300
Cash and cash equivalents, end of year	\$ 1,446,653	\$ 245,335

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

1. Nature of operations

United Way of Northwest Territories (the "Organization") is a not-for-profit organization incorporated under the Societies Act of the Northwest Territories. The Organization is a registered charity under section 149(1)(f) of the *Income Tax Act* and is a qualifying charitable organization under section 149.1(1). The status is maintained if it continues to comply with CRA requirements. The role of the Organization is to match resources of the community (fundraising campaign) to those areas of greatest need.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Fund accounting

The Organization uses the following funds:

Restricted Reserve fund - is an internally restricted amount set aside at the direction of the Board. The reserve is intended to be made available if pledges are not sufficient to cover the operating costs of the Organization.

The Unrestricted Net Asset fund - is the accumulated fund balance available for day to day operations of the Organization as well as the revenues and expenses related to campaign activities, program activities, and community investments.

(b) Donated material and services

The Organization relies on volunteer time and donated goods and services to achieve its purposes. Because of the difficulty of determining their fair values, volunteer time and donated goods and services are not recognized in these financial statements, except for when fair value information is readily available.

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

2. Significant accounting policies (continued)

(c) Financial instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly related to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

The Organization subsequently measures the following financial assets and financial liabilities at amortized cost:

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss to operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

(d) Revenue recognition

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

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

Investment income includes dividends and interest income recorded on the accrual basis, as well as realized investment gains and losses and unrealized gains and losses on financial instruments subsequently measured at fair value. Investment income is included in the statement of operations, deferred or reported directly in net assets depending on the nature of any external restrictions imposed on the investment income.

Revenue from the sale of services is recognized upon provision of the services to the purchaser.

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

2. Significant accounting policies (continued)

(e) Cash equivalents

Cash and cash equivalents consist of cash on deposit and a savings account.

(f) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Accounts receivable

	2024	2023
GST Rebate	\$ 6,781	\$ 3,789
Other	1,794	1,344
GNWT Payroll pledges	11,928	11,726
Accrued interest	4,618	-
	\$ 25,121	\$ 16,859

4. Deferred donations

	2024	2023
Opening balance	\$ 25,066	\$ 233,662
Recognized in revenue	(25,066)	(218,622)
Donations received and deferred	746,214	10,026
	\$ 746,214	\$ 25,066

5. Commitments

The Organization has multi-year funding agreements with various other organizations. Future estimated minimum payments related to these agreements are as follows:.

2025	\$ 60,000
2026	15,000
	\$ 75,000

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

6. Community investment

	2024	2023
Aspire Training Academy (paid to Yellowknife Women's Society)	\$ 22,500	\$ -
CDETNO - Dress for Success (Paid to Yellowknife Women's Society)	-	7,500
Children First Society	7,500	10,000
Community Garden Society of Inuvik	-	7,500
Diocese of the Arctic	-	7,500
Ecology North	7,500	7,500
Food First Foundation	7,500	10,000
Food Rescue	10,000	15,000
Foster Family Coalition	7,500	7,500
Girl Guides of Canada - Yellowknife District	-	10,000
Girl Guides of Canada - Yellowknife District - recovery of 2023 grant	(10,000)	-
Hay River Committee for Persons with Disabilities	-	15,000
Hay River Committee for Persons with Disabilities (paid to Hay River Pentecostal Chapel)	15,000	-
Hay River Family Support Centre	15,000	15,000
Hay River Soup Kitchen	-	7,500
Home Base (Paid to The Side Door Ministries)	7,500	10,000
Inclusion Northwest Territories	10,000	7,500
Incorporated Hamlet of Tulita	-	7,500
Inuvik Youth Centre	10,000	7,500
Kat'odeeche First Nation	-	7,500
Northern Birthwork (paid to Makeway Charitable Society)	7,500	-
Northern Mosaic Network (previously Rainbow Coalition)	-	7,500
NWT Literacy Council	-	7,500
Soaring Eagle Friendship Centre	7,500	-
Society of St. Vincent de Paul	7,500	7,500
Special Olympics NWT	-	7,500
Tree of Peace Friendship Centre	7,500	7,500
Ulukhaktok Food Bank (Paid to Hamlet of Ulukhaktok)	15,000	15,000
West Point First Nation	-	7,500
Yellowknife District No. 1 Education Authority	7,500	7,500
Yellowknife Playschool Association	7,500	7,500
Yellowknife Senior's Society	7,500	-
Yellowknife Women's Society	7,500	7,500
YWCA NWT	10,000	15,000
Community investment distributions	\$ 195,000	\$ 257,500

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

7. Wildfire Relief

	2024	2023
Revenue		
Donations received	\$ 3,095,118	\$ -
Grants	270,700	-
Less: Deferred revenue	(710,864)	-
	<hr/> 2,654,954	<hr/> -
Distribution expenses		
Assumption Church	5,000	-
Avens - A Community for Seniors	32,075	-
Charter Community of K'asho Got'ine	20,000	-
City of Grand Prairie	30,000	-
City of Lloydminster	5,656	-
City of Red Deer	25,000	-
City of St. Albert	52,500	-
Community Government of Behchoko	37,000	-
Community Government of Gamèti	10,000	-
Community Government of Whati	20,000	-
Dechinta Initiatives	25,000	-
Deh Gah Got'ie First Nation	10,521	-
Délina Got'ine Government	22,500	-
Deninu Kue First Nation	48,500	-
Food First Foundation	184,825	-
Fort Smith Animal Society	15,000	-
Fort Smith Metis Council	128,900	-
Foster Family Coalition of the NWT	52,500	-
Grande Prairie Friendship Centre	17,700	-
Habitat for Humanity Northwest Territories	25,000	-
Hamlet of Enterprise	27,500	-
Hamlet of Fort Providence	15,000	-
Hay River Family Support Centre	50,000	-
Hay River Soup Kitchen	2,500	-
Hay River Youth Centre	18,400	-
Home Base YK	58,200	-
Jean Marie River First Nation	25,000	-
Katloddeche First Nation	75,000	-
Let's Help Society Alberta	34,400	-
Liidlii Kue First Nation	26,750	-
Lutsel K'e Dene First Nation	53,600	-
Makeway Charitable Society	25,000	-
Metis Association Local 51	50,000	-
Metis Nation of Alberta Association Fort McMurray	2,500	-
Ndilo District Education Authority	7,500	-
North Slave Metis Alliance	50,000	-
Northern Mosaic Network	155,230	-
NWT Disabilities Council	2,500	-
NWT Literacy Council	11,750	-
NWT Metis Nation	25,000	-
NWT SPCA	12,504	-

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

7. Wildfire Relief (continued)

Parachutes for Pets	2,500	-
Salvation Army YK Corp	25,000	-
Sambaa K'e First Nation	12,358	-
Soaring Eagle Friendship Centre	137,875	-
St. Andrew's Anglican Church	2,500	-
Tlicho Government	151,000	-
Town of Fox Creek	25,500	-
Town Of Hay River	85,500	-
Town Of High Level	2,500	-
Town Of Peace River	23,400	-
Town of Valleyview	10,000	-
Town of Whitecourt	25,000	-
United Way of Calgary	4,000	-
Veterinarians Without Borders	60,405	-
West Point First Nation	144,765	-
Western Arctic Moving Pictures	2,457	-
Yellowknife Communtiy Foundation	12,500	-
Yellowknife Educational District #1	15,750	-
Yellowknife Scouts	40,030	-
Yellowknife Women's Society	142,725	-
Yellowknives Dene First Nation	112,500	-
YWCA NWT	25,000	-
Coordination expenses	11,748	-
Administration	83,930	-
	<hr/>	
	2,654,954	-
	<hr/>	
	\$ -	\$ -
	<hr/>	

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

8. Flood Relief

	2024	2023
Revenue		
Donations received	\$ 20,310	\$ 485,383
Deferred revenue recognized	15,040	218,622
Less: Deferred revenue	(35,350)	(15,040)
	-	688,965
Distribution expenses		
Deh Gah Got'ie First Nation	-	12,500
Fort Simpson Historical Society	-	4,622
Hamlet of Enterprise	-	10,000
Hay River Pentecostal Chapel	-	52,350
Hay River Soup Kitchen	-	10,000
Inclusion Northwest Territories	-	15,310
Jean Marie River First Nation	-	100,000
Katl'odeeche First Nation	-	71,400
NWT Association of Communities	-	10,000
Soaring Eagle Friendship Centre	-	136,203
Town of Hay River	-	109,000
Village of Fort Simpson	-	120,000
Yamozha Kue Society	-	27,000
Coordination expenses		
Ivy & Dean Consulting	-	6,613
Fundraising expenses	-	3,967
	-	688,965
	\$ -	\$ -

9. Government of Canada Workplace Charitable Campaign (GCWCC)

The GCWCC campaign costs are included in the Statement of Operations under fundraising expenses and can be further broken down as follows:

	2024	2023
Processing fees	\$ 4,223	\$ 5,702

10. Economic dependence

The Organization is economically dependent on United Way Canada. The Organization relies on United Way Canada to provide support through which the operations can occur. If this relationship was to be cancelled the operations of the Organization would be materially affected.

United Way of Northwest Territories

Notes to the Financial Statements

March 31, 2024

11. Comparative amounts

Certain of the comparative amounts have been reclassified to conform with the financial statement presentation adopted for the current year.

12. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Liquidity risk

The Organization does have a liquidity risk in the accounts payable and accrued liabilities of \$458,449 (2023 - \$71,858). Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. This risk has increased from the prior year given increased activity from the prior year.

(b) Credit risk

The Organization does have credit risk in cash and cash equivalents and accounts receivable of \$1,471,774 (2023 - \$262,194) and accounts receivable of \$25,121 (2023 - \$16,859). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Organization reduces its exposure to credit risk by maintaining cash and cash equivalents and term deposits with Charter Canadian Banks. This risk has increased from the prior year. The credit risk related to its accounts receivable is minimal.

(c) Concentration of credit risk

The Organization does have concentration of credit risk as a result of having funds with one major Canadian chartered bank in excess of its insurable limit. An insurable limit is the maximum amount that is insured by the Canadian Deposit Insurance Corporation in case of a bank failure. The Organization has \$1,446,653 (2023 - \$245,335) in chequing and savings accounts. This risk has increased from the prior year.