



Financial Statements

United Way/Centraide (Central N.B./Région du Centre
du N.B.) Inc.

March 31, 2013

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Independent auditor's report

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To the Members of
United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc.

We have audited the accompanying financial statements of United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. which comprise the statement of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, and the statement of operations and changes in fund balances and cash flows for the years ended March 31, 2013 and March 31, 2012.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent auditor's report (Continued)

Basis for qualified opinion

In common with many non-profit organizations, United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. derives revenue from donations from the public, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of expenditures over revenues, assets and fund balances.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of United Way/Centraide (Central N.B./Région du Centre du N.B.) Inc. as at March 31, 2013, March 31, 2012 and April 1, 2011, and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Fredericton, NB
May 23, 2013

Grant Thornton LLP

Chartered accountants

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Statements of Operations and
Changes in Fund Balances**

Year Ended March 31,	2013	2012			
Revenue					
Donations processed and fundraising events	\$ 1,241,573	\$ 1,297,391			
Funds transferred from other United Ways-Centraides	<u>65,812</u>	<u>55,731</u>			
Gross campaign revenue available for the community	1,307,385	1,353,122			
Less: Provision for uncollectable pledges	<u>(39,285)</u>	<u>(42,304)</u>			
Net campaign revenue	1,268,100	1,310,818			
Sponsorship	6,500	5,000			
Gifts in kind	1,465	600			
Bequests	19,145	160,845			
Investment revenue	<u>2,949</u>	<u>4,478</u>			
	<u>1,298,159</u>	<u>1,481,741</u>			
Campaign expenses (Page 12)	<u>204,082</u>	<u>210,931</u>			
Net amount available for allocations and programs	<u>1,094,077</u>	<u>1,270,810</u>			
Allocations and program expenses (Page 11)	<u>1,217,964</u>	<u>1,424,085</u>			
Excess of expenditures over revenue	<u>\$ (123,887)</u>	<u>\$ (153,275)</u>			
	Investment in Equipment	Unrestricted	Restricted	2013 Total	2012 Total
Fund balance, beginning of year	\$ 9,354	\$ 217,184	\$ 1,268	\$227,806	\$ 381,081
Excess of expenditures over revenue	<u>(990)</u>	<u>(122,429)</u>	<u>(468)</u>	<u>(123,887)</u>	<u>(153,275)</u>
Fund balance, end of year	<u>\$ 8,364</u>	<u>\$ 94,755</u>	<u>\$ 800</u>	<u>\$103,919</u>	<u>\$ 227,806</u>

See accompanying notes to the financial statements.

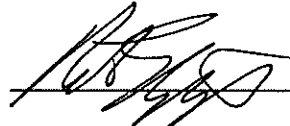
**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Statement of Financial Position**

	March 31, 2013	March 31, 2012	April 1, 2011
Assets			
Cash (including restricted cash of \$800, 2012 - \$1,268)	\$ 405,952	\$ 592,381	\$ 556,123
Term deposits	-	-	201,022
Receivables	9,950	7,437	9,158
Prepaid expenses	<u>6,522</u>	<u>4,270</u>	<u>9,109</u>
	<u>422,424</u>	<u>604,088</u>	<u>775,412</u>
Pledges receivable – current year campaign	588,848	649,592	618,500
Pledges receivable – prior year campaign	17,204	14,448	49,163
Less: allowance for uncollectible pledges	<u>(60,000)</u>	<u>(60,000)</u>	<u>(53,500)</u>
	<u>546,052</u>	<u>604,040</u>	<u>614,163</u>
Computer and office equipment (Note 4)	<u>8,364</u>	<u>9,354</u>	<u>3,849</u>
	<u>\$ 976,840</u>	<u>\$1,217,482</u>	<u>\$1,393,424</u>
Liabilities			
Payables and accruals			
Trade	\$ 23,517	\$ 20,886	\$ 16,598
Government remittances	4,319	5,211	4,432
Accrued allocations	<u>845,085</u>	<u>963,579</u>	<u>991,313</u>
	<u>872,921</u>	<u>989,676</u>	<u>1,012,343</u>
Fund balances			
Invested in equipment	8,364	9,354	3,849
Unrestricted	94,755	217,184	368,432
Restricted	<u>800</u>	<u>1,268</u>	<u>8,800</u>
	<u>103,919</u>	<u>227,806</u>	<u>381,081</u>
	<u>\$ 976,840</u>	<u>\$1,217,482</u>	<u>\$1,393,424</u>

Commitments (Note 6)

ON BEHALF OF THE BOARD

 President

 Treasurer

See accompanying notes to the financial statements.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Statement of Cash Flows

Year Ended March 31,	2013	2012
(Decrease) increase in cash and cash equivalents		
Operating		
Excess of expenditures over revenue	\$ (123,887)	\$ (153,275)
Amortization of capital assets	3,218	2,027
Loss on disposal of capital assets	270	-
Net change in non-cash working capital	<u>(63,532)</u>	<u>(5,984)</u>
	<u>(183,931)</u>	<u>(157,232)</u>
Financing and investing		
Purchase of capital assets	<u>(2,498)</u>	<u>(7,532)</u>
Net decrease in cash and cash equivalents	(186,429)	(164,764)
Cash and cash equivalents, beginning of year	<u>592,381</u>	<u>757,145</u>
Cash and cash equivalents, end of year	<u>\$ 405,952</u>	<u>\$ 592,381</u>

See accompanying notes to the financial statements.

United Way/Centraide (Central N.B./ Région du Centre du N.B.) Inc.

Notes to the Financial Statements

March 31, 2013

1. Purpose of the Organization

The purpose of the organization is to provide funding to various non-profit operations based upon monies raised from fundraising activities. The company is incorporated under the New Brunswick Companies Act as a not-for-profit organization and is exempt from tax under paragraph 149(1)(1) of the Income Tax Act.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenues and expenditures

Revenues

Revenue from campaign donations is recorded on an accrual basis. Revenue is recognized for amounts pledged but not received in the period the pledges are made. Revenue from external program support is recorded using the restricted fund method. Investment income is recognized on an accrual basis, as it is earned.

The organization records revenue from bequests when the proceeds are received and it has been determined that any conditions attached to the bequests are acceptable to the organization.

Expenditures

Expenditures are recorded on an accrual basis and are charged to three functional areas of the organization: administrative, campaign and community programs.

Administrative expenditures are incurred to operate the organization and its programs in a cost-effective manner while maximizing all opportunities to further the organization's purpose. The organization allocates all of its administrative expenditures to the other two areas using the method disclosed in note 5 to the financial statements.

Allocations to member and non member agencies, as well as donor options paid by other United Ways are charged directly to community programs, and are recognized when the Board has authorized the allocations recommended by the Allocation Committee.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of twelve months or less.

Computer and office equipment

Expenditures for computer and office equipment are amortized on a straight line basis over five years. One half of the rate of depreciation is used in the year of acquisition.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the Financial Statements
March 31, 2013

2. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions that the organization may undertake in the future. These estimates and assumptions may affect the amount of assets and liabilities presented as at the reporting date and the reported amount of revenue and expenditures during the fiscal period. Significant estimates in the financial statements include collection estimates pertaining to pledges receivable and resource deployment estimates to assist in allocating administrative expenses. Actual results may differ from the estimates and assumptions used.

Restricted Fund Balance

The purpose of the restricted fund is to record the receipt and use of resources that are subject to restrictions. In 2001, \$8,000 was transferred from the Endowment Fund with the specific purpose of purchasing capital assets, \$468 was used in the current year for the purchase of computer and office equipment (2012 - \$7,532). In 2009, \$1,000 was donated specifically for flood relief (2009 - \$200 was used for flood relief purposes).

3. Impact of the change in basis of accounting

These financial statements are the first financial statements for which the Company has applied the Canadian accounting standards for not-for-profit organizations (ASNPO). The financial statements for the year ended March 31, 2013 were prepared in accordance with ASNPO. Comparative period information presented for the year ended March 31, 2012 and the opening statement of financial position as at April 1, 2011 were prepared in accordance with ASNPO and the provisions set out in Section 1501 *First-time adoption by not-for-profit organizations*.

The date of transition to ASNPO is April 1, 2011. The Company's transition from Canadian accepted accounting policies ("previous GAAP") to ASNPO has had no significant impact on the opening fund balances as at April 1, 2011 or the statement of operations or the statement of cash flows for the year ended March 31, 2012.

As a result, although the statement of financial position as at April 1, 2011 has been provided, the reconciliations and disclosures required by Section 1501 for the net assets at the transition date, the comparative period excess of revenue over expenses and the cash flow statement are not necessary and have not been presented in these financial statement notes.

4. Computer and office equipment

			2013	2012	April 1,
	Accumulated	Net Book	Net Book	Net Book	2011
	Cost	Amortization	Value	Value	Net Book
					Value
Computer and office equipment	<u>\$ 34,605</u>	<u>\$ 26,241</u>	<u>\$ 8,364</u>	<u>\$ 9,354</u>	<u>\$ 3,849</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Notes to the Financial Statements
March 31, 2013

5. Expense allocation

The entity allocates its costs to two functional areas: campaign and programs. General costs which do not pertain specifically to either function are considered administrative and are allocated to the functional areas based on management's estimates of resource deployment in the year. Administrative costs are summarized on page 9 and have been allocated as follows:

	<u>2013</u>	<u>2012</u>
Campaign expenses	40%	40%
Program expenses	60%	60%

6. Commitments

The organization has entered into agreements to lease its premises and office equipment at minimum lease payments as follows:

2014	\$ 33,668
2015	\$ 2,448
2016	\$ 2,448
2017	\$ 408

7. Bank indebtedness

The organization has an operating line of credit of \$50,000 of which none was utilized at March 31, 2013.

8. Financial instruments

The organization's financial instruments consist of cash, receivables and payables and accruals.

The fair value of the entity's cash, receivables and payables and accruals approximate carrying value due to the short term nature of the 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 the financial statements in assessing the extent of risk related to financial instruments.

Credit risk

The organization is subject to credit risk through its pledges receivable since failure of the parties to fulfil their pledges could result in significant financial losses for the organization.

9. Capital management

Management considers capital to be fund balances. The entity's objective when managing capital is to maintain financial strength to sustain long term delivery of its core activities.

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.**
Schedule of Administrative Expenses

Year Ended March 31, **2013** **2012**

Amortization	\$ 3,218	\$ 2,027
Audit and accounting	8,946	10,679
Employee benefits	2,547	3,145
Insurance	950	641
Miscellaneous	3,322	9,297
Occupancy	39,063	34,128
Office and printing	10,828	10,541
Postage	463	710
Salaries and wages	13,364	18,070
Service contracts	4,498	4,535
Telephone	<u>8,787</u>	<u>8,337</u>
	<u>\$ 95,986</u>	<u>\$ 102,110</u>
Allocation to campaign expenses (Note 5)	<u>\$ 38,394</u>	<u>\$ 40,844</u>
Allocation to program expenses (Note 5)	<u>\$ 57,592</u>	<u>\$ 61,266</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Schedule of Agency Allocations**

Year Ended March 31, **2013** **2012**

Agency Allocations

Ability New Brunswick Inc.	\$ 50,987	\$ 57,562
Big Brothers-Big Sisters Association Inc.	35,148	37,783
Canadian National Institute for the Blind	29,270	38,374
Capital Region Mental Health and Addictions Association	18,440	29,677
CHIMO Helpline	10,867	12,234
Community Health Clinic	8,515	10,404
Easter Seals New Brunswick	30,060	32,285
Family Enrichment and Counselling Services	49,742	63,507
Fredericton Association for Community Living	430	180
Fredericton Boys and Girls Club	41,147	47,961
Fredericton Community Kitchen	17,689	37,728
Fredericton Community Services	52,202	20,726
Fredericton Homeless Shelters	36,161	43,643
Fredericton Residential Youth Services	52	-
Fredericton Sexual Assault Crisis Centre	33,742	38,253
Geary Headstart	687	1,993
Hospice Fredericton	14,986	15,616
Jobs Unlimited	26,089	32,344
John Howard Society	28,881	34,424
Laubach Literacy	4,410	4,402
Liberty Lane	21,709	23,683
Meals on Wheels	24,012	31,806
Military Police Fund for Blind Children	(120)	120
New Brunswick Association for Community Living	17,675	19,617
Opal Family Services	43,443	52,938
Oromocto Community Residences	189	234
Oromocto Helpline/Food Bank	15,427	22,308
Scouts Canada	6,599	6,845
Society for the Prevention of Cruelty to Animals-Fredericton	18,971	20,910
Society for the Prevention of Cruelty to Animals-Oromocto	7,366	10,242
Sunbury West Headstart	1,542	1,456
Victorian Order of Nurses – Fredericton	40,208	48,692
Victorian Order of Nurses – Oromocto	26,006	31,015
Victorian Order of Nurses – Woodstock	18,356	22,017
YMCA - YWCA	25,094	35,183
Youth in Transition	14,671	15,357
	<u>\$ 770,653</u>	<u>\$ 901,519</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Schedule of Program Expenses**

Year Ended March 31,	2013	2012
Allocation and Designations		
Allocations to member agencies (Page 10)	\$ 770,653	\$ 901,519
Allocations to non-member agencies	192,165	280,185
Donor options paid by other United Ways-Centraides	<u>65,812</u>	<u>55,731</u>
	1,028,630	1,237,435
Program Expenses		
Employee benefits	8,731	8,181
Miscellaneous	7,645	7,039
National Agency expenditures - United Way Canada	7,376	8,247
Office and printing	568	1,809
Publicity	13,787	9,661
Salaries and wages	85,027	78,705
Travel and conferences	<u>8,608</u>	<u>11,742</u>
	<u>1,160,372</u>	<u>1,362,819</u>
Allocation of administrative expenses (Page 9)	<u>57,592</u>	<u>61,266</u>
Total program expenses	<u>\$ 1,217,964</u>	<u>\$ 1,424,085</u>

**United Way/Centraide (Central N.B./
Région du Centre du N.B.) Inc.
Schedule of Campaign Expenses**

Year Ended March 31,	2013	2012
Campaign expense and supplies	\$ 3,520	\$ 3,448
Employee benefits	8,939	9,022
Golf tournament	6,338	5,865
Miscellaneous	35,702	39,054
Office and printing	8,492	3,663
Postage	2,997	2,568
Publicity	10,933	8,178
Salaries and wages	85,887	90,250
Training	1,353	2,057
Travel and conferences	<u>1,527</u>	<u>5,982</u>
	<u>165,688</u>	<u>170,087</u>
Allocation of administrative expenses (Page 9)	<u>38,394</u>	<u>40,844</u>
Total campaign expenses	<u>\$ 204,082</u>	<u>\$ 210,931</u>