

**UNITED WAY HALIBURTON
KAWARTHA LAKES
Financial Statements**

Year Ended March 31, 2026

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JANE ANGELO PC
Chartered Professional Accountant

Independent Auditor's Report

To the Directors of United Way Haliburton Kawartha Lakes:

Qualified Opinion

We have audited the accompanying financial statements of United Way Haliburton Kawartha Lakes ("United Way"), which comprise the statement of financial position as at March 31, 2026, the statement of operations, statement of changes in fund balances, the statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible 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 United Way Haliburton Kawartha Lakes as at March 31, 2026 and its financial performance and its cash flow for the year then ended are in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the United Way 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 United Way. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of expenses over revenues, and cash flows from operations for the year ended March 31, 2026 and 2025 years. Our audit opinion on the financial statements for the year ended March 31, 2025 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 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the United Way 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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the Annual Meeting presentation and Reports, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility 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 United Way'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 or to cease operations, or has no realistic alternative but to do so.

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



JANE ANGELO PC

Chartered Professional Accountant

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 United Way'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 United Way's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society 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.

Jane Angelo Professional Corporation

Lindsay, Ontario
September 21, 2026

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

UNITED WAY HALIBURTON KAWARTHA LAKES

Statement of Financial Position as at March 31, 2026

	2026	2025
ASSETS		
Current		
Cash and cash equivalents (Note 4)	\$ 139,658	\$ 142,781
Short term investments	5,834	4,560
PSB rebate receivable	4,206	3,964
Uncollected Pledges (Note 5)	27,061	41,208
Fundraising revenues receivable	14,300	15,565
Other current assets (Note 6)	8,230	7,254
	199,289	215,332
Capital Assets (Note 7)	108,648	117,128
	\$ 307,937	\$ 332,460
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 37,049	\$ 35,653
Government remittances	1,837	3,148
Deferred grant revenue (Note 8)	56,822	37,001
	95,708	75,802
Deferred Capital Contributions (Note 9)	103,024	115,109
	198,732	190,911
Net Assets		
Unrestricted Net Assets	103,580	139,530
Net Assets Invested in Capital Assets	5,625	2,019
	109,205	141,549
	\$ 307,937	\$ 332,460

See the accompanying Notes to the Financial Statements

UNITED WAY HALIBURTON KAWARTHA LAKES

Statement of Operations

for the year March 31, 2026

	2026	2025
Campaign Revenue		
Campaign donations	\$ 169,202	\$ 226,462
Uncollectible pledge (loss) recovery	(885)	(142)
	168,317	226,320
Other Revenues		
Edwin Binney's Community Farm & Education Centre (Note 10)	33,013	29,816
Community Services Recovery Fund	-	12,131
Amortization of deferred capital funding	9,835	9,985
Fundraising and related income	32,637	33,382
Rental income	14,050	-
Bequests	40,415	54,254
	129,950	139,568
Total Revenue	298,267	365,888
Distributions and Community Programs:		
Amortization, small equipment and maintenance	10,444	10,420
Affiliation fee	2,250	1,808
Farm direct expenses (Note 10)	5,524	4,084
Distributions (Note 11)	37,020	27,515
Professional services	11,106	12,433
Rent	31,416	31,416
Telephone, insurance, office and miscellaneous	11,666	11,354
Wages and subcontractors	144,564	159,030
Total distributions and community program expenses	253,990	258,059
Operating Expenses:		
Amortization, small equipment and maintenance	3,481	3,473
Advertising and promotion	3,629	7,313
Affiliation fee	750	603
Fundraising events and activities	2,510	3,736
Professional Services	3,702	4,144
Rent	10,472	10,472
Telephone, office and miscellaneous	3,889	3,785
Wages and subcontractors	48,188	53,010
Total operating expenses	76,621	86,536
Total Expenses	330,611	344,594
Excess (Deficiency) of Revenue over Expenses	\$ (32,344)	\$ 21,294
See the accompanying Notes to the Financial Statements		

UNITED WAY HALIBURTON KAWARTHA LAKES

Statement of Changes in Net Assets

for the year ended March 31, 2026

	2026			2025	
	Unrestricted Net Assets	Net Assets Invested in Capital Assets	Total	Total	
Balance- beginning of year	\$ 139,530	\$ 2,019	\$ 141,549	\$ 120,255	
Excess(Deficit) of Revenues over Expenses for the year	(33,700)	1,356	(32,344)	21,294	
Net additions to capital assets	-	-	-	-	
CHEST funding repaid	(2,250)	2,250	-	-	
Balance- end of year	\$ 103,580	\$ 5,625	\$ 109,205	\$ 141,549	

See the accompanying Notes to the Financial Statements.

UNITED WAY HALIBURTON KAWARTHA LAKES**Statement of Cash Flows****For the year March 31, 2026**

	2026	2025
Cash flow from operating activities		
Excess of Revenue over Expenses	\$ (32,344)	21,294
Items not affecting cash:		
Amortization of operating grants	\$ (25,783)	(87,248)
Amortization of capital assets	8,479	9,224
Amortization of deferred capital contributions	(9,835)	(9,985)
	(59,483)	(66,715)
Changes in non-cash working capital:		
HST rebate receivable	(241)	245
Uncollected Pledges and Fundraising receivable	15,412	(7,144)
Other current assets	(976)	1,105
Accounts payable and accrued liabilities	86	(6,775)
Net cash provided by operating activities	(45,202)	(79,284)
Cash flows from investing activities		
Purchase of tangible capital assets	-	(89,725)
Capital asset grants received (repaid)	(2,250)	-
Purchase of investments	(1,274)	(2,356)
Net cash provided by investing activities	(3,524)	(92,081)
Cash flows from financing activities		
Operating grants received, restricted	45,603	74,540
	45,603	74,540
Cash and cash equivalents at the beginning of the year	142,781	239,607
Cash and cash equivalents at the end of the year	\$ 139,658	\$ 142,781

Cash and cash equivalents consists of:

Cash	\$ 139,658	\$ 142,781
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See the accompanying Notes to the Financial Statements

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

1. DESCRIPTION OF THE ORGANIZATION

United Way Haliburton Kawartha Lakes ("UWHKL") is a not-for-profit registered charity incorporated without share capital under the laws of Ontario. It is not subject to income taxes.

The purpose of the United Way Haliburton Kawartha Lakes is to identify and evaluate the current and future social needs of the community and provide leadership for their resolution through guidance, reducing overlap and fundraising for its member agencies.

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 and are in accordance with Canadian generally accepted accounting principles.

Revenue Recognition

The United Way Haliburton Kawartha Lakes follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue in the year in which the revenue is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted investment income is recognized in the year in which the related expenses are incurred. Unrestricted investment income is recognized as income in the year it is earned rather than received. Legacies are recorded when the funds are received.

(i) Campaign revenue

Campaign revenue represents pledges received from various donors. The revenue is recognized at the time pledges are received.

(ii) Community program grants and fees

Community program grants and fees represents restricted funding to be spent on specific programs. Revenue is recognized on an accrual basis.

Any unused funding at the end of the fiscal year is either deferred to the next fiscal period or repaid to the funder depending upon the funder requirements.

(iii) Fundraising events

Fundraising events revenue represents monies raised from fundraiser events. Revenue is recognized when monies are received.

(iv) Rental income

Rental income represents the sublet rental income earned from tenant sharing the facilities with United Way Haliburton Kawartha Lakes. This income is recognized on an accrual basis.

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue Recognition (Continued)

(v) Investment income

The United Way Haliburton Kawartha Lakes does receive securities donations. The investment income represents the dividends, interest and gains/losses on those shares. Investment income is recognized when it is earned. The income is included in "Fundraising and related income" on the Operations Statement.

Measurement Uncertainty

The preparation of financial statements in conformity to Canadian generally accepted accounting principles 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 date of the financial statements and reported amount of revenues and expenses during the period.

Key areas where management has made judgments include, among others, the collectability of pledges receivable, allocations payable, useful life of tangible capital assets, deferred revenue and allocations of expenses between operating and program expenses. Actual results could differ from this and other estimates, the impact of which would be recorded in future periods.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives using the declining balance method at the following annual rates. When the Organization observes conditions that indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets are accounted for as expenses in the statement of operations

Garden buildings and structures	15 years
Furniture, Fixtures and Equipment	10 years
Computer hardware	3 years

Financial Instruments

United Way Haliburton Kawartha Lakes is exposed to various risks through its financial instruments. Analysis of the Organization's risk exposure and concentrations indicates that there is the credit risk pertaining to uncollected pledges. There are no material exposures to liquidity risk, market risk, currency risk, interest rate risk nor other price risk as at March 31, 2026 and no changes in these exposures from last year.

Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arms length transactions. The Organization subsequently measures all of its financial assets and financial liabilities at amortized costs, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets that are measured at amortized cost include the cash, accounts receivable, and investments.

Financial liabilities measured at amortized cost include accounts payable.

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Contributed Services

Volunteers contributed a significant number of hours per year to assist the United Way Haliburton Kawartha Lakes in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Donor Designated Distributions

Donors are provided the opportunity to direct their donations to any registered Canadian charity. These donations are directed to specified agencies independent of any allocations determined by the organization.

Expense allocations

The United Way Haliburton Kawartha Lakes accounting policy is to allocate costs which do not pertain specifically to campaign and community programs, as operating costs, based on management's estimates of time and direct expenditures as follows:

	2026	2025
Operating expenses	25%	25%
Distributions and community programs	75%	75%
	100%	100%

3. CREDIT FACILITY

The organization has a line of credit facility of \$50,010 limit at the floating rate of prime plus 3.25% per annum interest, with TD Bank. The balance of the facility utilized at March 31st, 2026 was nil.

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

4. CASH AND CASH EQUIVALENTS

	2026	2025
Petty Cash	\$ 831	\$ 350
Undeposited funds	17,051	4,166
TD Canada Trust	33,015	94,382
TD Trust Account	6,629	4,998
TD Grant Funding Account	37,486	38,685
Kawartha Credit Union	44,646	-
	\$ 139,658	\$ 142,581

The Agency uses the TD Grant Funding Account to segregate funds held for specific externally funded programs.

The TD Trust Account is used for lotteries and other fundraising.

5. UNCOLLECTED PLEDGES

	2026	2025
Pledges receivable	\$ 32,543	\$ 46,074
Allowance for uncollectible pledges	(5,482)	(4,866)
	\$ 27,061	\$ 41,208

The 2026 allowance for uncollectible pledges was calculated based on specific identification of pledges receivable. Most of the old outstanding pledges, tracked by city centres, that had no recovery since 2021, were no longer allowed for and were written off entirely in 2026. The 2026 allowance for uncollectible pledges was calculated as an overall average of 16.8% of the pledges receivable balance based on specific identification and detailed historical information on collection.

6. OTHER CURRENT ASSETS

Other current assets represents prepaid expenses:

	2026	2025
Prepaid United Way Centraide fees	\$ 2,495	\$ 3,133
Prepaid insurance	3,069	1,455
Prepaid rent	2,666	2,666
	\$ 8,230	\$ 7,254

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

7. CAPITAL ASSETS

			2026	2025
	Cost	Accumulated Amortization	Net book value	Net book value
Garden buildings and structures	\$ 110,798	\$ 16,745	\$ 94,053	\$ 100,772
Furniture, fixtures and equipment	25,594	11,356	14,238	15,820
Computers	4,071	3,714	357	536
	\$ 140,463	\$ 31,815	\$ 108,648	\$ 117,128
Amortization expense charged during the year to the statement of operations and included in the "Amortization, small equipment and maintenance" balances under the Operating and Program allocations.			\$ 8,479	\$ 9,224

8. DEFERRED OPERATING CONTRIBUTIONS

Deferred contributions represents unspent resources externally restricted for funding of specific programs received in the

	2026	2025
Balance - beginning of year	\$ 37,001	\$ 49,709
Amount recognized as revenue in the year	(25,783)	(87,248)
Amount received in the current year	45,603	74,540
Balance - end of year	\$ 56,821	\$ 37,001
Allocation of deferred contributions operating funding are as follows:		
	2026	2025
Edwin Binney Community Farm and Education Centre:		
Otto and Marie Pick Foundation	\$ 47,057	\$ 36,626
Whole Kids Foundation	375	375
Poverty Reduction Roundtable	9,433	-
	\$ 56,865	\$ 37,001

9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets include the unamortized portions of contributed capital assets and restricted contributions that will be used for the Organization's programs.

	2026	2025
Balance, beginning of year	\$ 115,109	125,094
Restricted community farm contributions utilized to purchase capital assets	-	-
Less:		
Unused funding, returned	\$ (2,250)	-
Amounts amortized to income	(9,835)	(9,985)
	\$ 103,024	\$ 115,109

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

10. PROGRAM FUNDING- EDWIN BINNEY'S COMMUNITY FARM & EDUCATION CENTRE

The community programs revenues and expenses were all centered around the Edwin Binney's Farm & Education Centre for 2025 and 2026. Funding received supported: youth employment at the farm, seniors programs, capacity building, educational outreach, and food production and distribution. Funding and restricted donations recognized in revenue are as follows:

	2026	2025
Victoria County Career Services	\$ 700	\$ -
Canada Summer Jobs	-	5,992
Otto & Marie Pick Foundation	24,613	23,330
Ampere Intern Programs	7,219	-
Miscellaneous	481	493
	\$ 33,013	\$ 29,816

11. DISTRIBUTIONS

The UWHKL offers two granting programs funded by the annual fundraising and donation campaign. These opportunities for local service organizations are the Community Capacity Grants and the Collaborative Matching Grants. The distributions made to local service organizations under these grant programs were as follows:

Community Capacity Grants	2026	2025
Pinnguaq Association - Accessible Community Freezer	\$ 1,850	\$ -
John Howard Society of Kawartha Lakes Haliburton - Nourish Together	5,000	-
Victoria County Career Services - Food for Work	4,300	2,500
Kawartha Haliburton Children's Foundation - Child Safety Equipment Program	5,000	-
New Canadians Centre - Community Connections Kawartha Lakes	3,850	-
Community Counselling & Resource Centre	-	3,432
Community Living Tent Highlands	-	3,000
Big Brothers Big Sisters Kawartha Lakes Haliburton	-	1,550
A Place Called Home	-	5,000
	\$ 20,000	\$ 15,482

Donor Designations to Service Organizations	2026	2025
	17,020	\$ 12,033
Total Distributions	\$ 37,020	\$ 27,515

There were no Collaborative Matching Grants issued for 2026 or 2025.

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

12. Fund Balances and Internal Reserves

The Board of Directors have established the following available internal reserves for their net assets:

Net Assets Invested in Capital Assets	The carrying value of capital assets, net of all deferred funding and related liabilities
Bequest Reserve Fund	To be maintained permanently with the investment income to be used for one-time allocations
Leadership Development Services Reserve	To be used to fund future cost of the Leadership Development Services in excess of grant revenue received.
Distribution Reserve	To be used for distributions
Working capital Reserve	To be used for fundraising and administration expenses in the following year.
Campaign Stabilization Reserve	To be used to offset possible declines in future campaign contributions to maintain a consistent distribution of funds to member agencies.

These internally restricted amounts are not available for other purposes without the approval of the Board of Directors.

13. TRANSPARENCY, ACCOUNTABILITY AND FINANCIAL REPORTING

The United Way Haliburton Kawartha Lakes follows the reporting guidelines as outlined in its membership agreement with United Way Centraide Canada. As part of these guidelines, the following is a recommended additional disclosure of Operating costs as a percentage of total revenue before the provision for uncollectible pledges.

	2026	2025
Operations ratio:		
Total revenue	\$ 298,267	\$ 365,888
Add (less) provision for uncollectible pledges	885	142
Total revenue before pledge loss provision	299,152	366,030
Direct fundraising	2,510	3,736
Allocation of indirect general management & administration expenses (Note 2)	74,111	82,800
Total operating expenses	\$ 76,621	\$ 86,536
Operating (including fundraising) costs as a percentage of revenues	26%	24%

UNITED WAY HALIBURTON KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2026

14. COMMITMENTS

The United Way Haliburton Kawartha Lakes had a signed lease agreement, with 2274887 Ontario Inc, effective July 1, 2021 that ends June 30, 2026. There is no termination clause and an option to renew for another 5 years within 180 days of the lease expiry. The annualized rent for the final year of the lease term was \$40,030, before HST.

The estimated future minimum lease payments (net of HST) required under operating lease are as follows:

April to June 2026 (net of last months' rent)	\$	6,672
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15. SUBSEQUENT EVENTS

New Premises Lease:

UWHKL finalized negotiating a 5 year lease agreement with Lindsay Property Management Inc. on April 2, 2026. The lease term commences on May 1, 2026 and ends April 30, 2031.

There is no termination clause and an option to renew for another 5 year term within 6 months of the lease expiry.

The estimated future minimum lease payments (net of HST) required under operating lease are as follows:

July'26-March'27 (May and June are rent free periods)	\$	10,400
2028		16,172
2028		16,819
2030		17,492
2031		18,191
2032		1,521
	\$	<u>68,674</u>

Funding Secured:

On April 1, 2026, the United Way Haliburton Kawartha Lakes received grant funding from the Ontario Trillium Foundation. It is a seed grant for \$100,000 and with a term of twelve months from April 1, 2026 to March 31, 2027.