

**United Way of Kitchener-Waterloo  
and Area**  
**Financial Statements**  
For the year ended December 31, 2006



**United Way**  
SERVING KITCHENER-WATERLOO  
And the Townships of Wellesley, Wilmot and Woolwich

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## Auditors' Report

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### To the Directors of United Way of Kitchener-Waterloo and Area

We have audited the balance sheet of United Way of Kitchener-Waterloo and Area as at December 31, 2006 and the statements of operations and fund balances and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenue from donations and fundraising, 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 revenue, net funds remaining for the year, cash and cash equivalents, pledges receivable and fund balances.

In our opinion, except for the adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2006 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Kitchener, Ontario  
March 7, 2007

## United Way of Kitchener-Waterloo and Area Balance Sheet

**December 31**

**2006**

**2005**

	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund	Total	Total
<b>Assets</b>					
<b>Current</b>					
Cash and cash equivalents (Note 1)	\$ 738,309	\$ -	\$ -	\$ 738,309	\$ 440,511
Investments (Note 2)	332,798	819,406	543,082	1,695,286	1,783,477
Pledges receivable	725,558	-	-	725,558	712,540
Prepaid expenses	3,659	-	-	3,659	5,017
	<b>1,800,324</b>	<b>819,406</b>	<b>543,082</b>	<b>3,162,812</b>	<b>2,941,545</b>
<b>Capital assets (Note 3)</b>	<b>30,827</b>	<b>-</b>	<b>-</b>	<b>30,827</b>	<b>33,119</b>
	<b>\$ 1,831,151</b>	<b>\$ 819,406</b>	<b>\$ 543,082</b>	<b>\$ 3,193,639</b>	<b>\$ 2,974,664</b>

### Liabilities and Fund Balances

**Current**

Accounts payable and accrued liabilities (Note 4)	\$ 155,973	\$ -	\$ 81,620	\$ 237,593	\$ 68,471
Accrued donor designations	263,106	-	-	263,106	164,695
Advance campaign receipts	1,381,245	-	-	1,381,245	1,469,987
	<b>1,800,324</b>	<b>-</b>	<b>81,620</b>	<b>1,881,944</b>	<b>1,703,153</b>

**Fund balances**

Invested in capital assets	30,827	-	-	30,827	33,119
Internally restricted	-	819,406	461,462	1,280,868	1,238,392
	<b>30,827</b>	<b>819,406</b>	<b>461,462</b>	<b>1,311,695</b>	<b>1,271,511</b>
	<b>\$ 1,831,151</b>	<b>\$ 819,406</b>	<b>\$ 543,082</b>	<b>\$ 3,193,639</b>	<b>\$ 2,974,664</b>

On behalf of the Board:



Donald Hunt, Chair



Jeff Oberholtzer, Treasurer

## United Way of Kitchener-Waterloo and Area Statement of Operations and Fund Balances

**For the year ended December 31**

**2006**

**2005**

	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund	Total	Total
<b>Revenue</b>					
Campaign	\$ 5,063,130	\$ -	\$ -	\$ 5,063,130	\$ 5,157,848
Special events	77,739	-	-	77,739	62,263
Donor designations - Member Agencies	113,896	-	-	113,896	151,165
Donor designations - other charitable organizations	59,646	-	-	59,646	107,040
Transfers from other United Ways	97,054	-	-	97,054	93,910
Donor designations - other United Ways	73,212	-	-	73,212	74,013
<b>Total campaign revenue</b>	<b>5,484,677</b>	<b>-</b>	<b>-</b>	<b>5,484,677</b>	<b>5,646,239</b>
Transfers to other United Ways	(73,212)	-	-	(73,212)	(74,013)
Non-payment of pledges	(205,951)	-	-	(205,951)	(314,530)
Recovery of non-payment of pledges from prior years	206,895	-	-	206,895	156,049
<b>Net campaign revenue</b>	<b>5,412,409</b>	<b>-</b>	<b>-</b>	<b>5,412,409</b>	<b>5,413,745</b>
Other revenue	53,200	-	-	53,200	21,387
Forever Fund income (Note 5)	50,077	-	-	50,077	43,949
The Ontario Trillium Foundation grant	37,500	-	-	37,500	-
Investment income	126,080	41,774	21,941	189,795	124,855
Investment management fees	(666)	(1,539)	(808)	(3,013)	(5,749)
<b>Total revenue</b>	<b>5,678,600</b>	<b>40,235</b>	<b>21,133</b>	<b>5,739,968</b>	<b>5,598,187</b>
<b>Fundraising expenditures</b> (Schedule 4)	<b>733,754</b>	<b>-</b>	<b>-</b>	<b>733,754</b>	<b>725,785</b>
<b>Net revenue available for community investment</b>	<b>4,944,846</b>	<b>40,235</b>	<b>21,133</b>	<b>5,006,214</b>	<b>4,872,402</b>
<b>Community Investment Expenditures</b>					
Community allocations (Schedule 1)	4,096,321	-	-	4,096,321	4,149,771
Community grants (Schedules 2 and 3)	200,146	-	261,495	461,641	407,974
Program expenditures (Schedule 5)	408,068	-	-	408,068	399,150
	<b>4,704,535</b>	<b>-</b>	<b>261,495</b>	<b>4,966,030</b>	<b>4,956,895</b>
<b>Net funds remaining (used) for the year</b>	<b>240,311</b>	<b>40,235</b>	<b>(240,362)</b>	<b>40,184</b>	<b>(84,493)</b>
<b>Inter-fund transfers</b> (Note 6)	<b>(242,603)</b>	<b>(32,773)</b>	<b>275,376</b>	<b>-</b>	<b>-</b>
<b>Opening fund balances</b>	<b>33,119</b>	<b>811,944</b>	<b>426,448</b>	<b>1,271,511</b>	<b>1,356,004</b>
<b>Closing fund balances</b>	<b>\$ 30,827</b>	<b>\$ 819,406</b>	<b>\$ 461,462</b>	<b>\$ 1,311,695</b>	<b>\$ 1,271,511</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## United Way of Kitchener-Waterloo and Area Statement of Cash Flows

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Cash flows from operating activities</b>		
Net funds remaining (used) for the year	\$ 40,184	\$ (84,493)
Items not involving cash		
Depreciation of capital assets	11,239	11,727
Loss on disposal of investments	-	4
	<u>51,423</u>	<u>(72,762)</u>
Changes in non-cash working capital balances		
Pledges receivable	(13,018)	(133,752)
Prepaid expenses	1,358	339
Accounts payable and accrued liabilities	169,122	18,300
Accrued donor designations	98,411	(23,683)
Advance campaign receipts	(88,742)	(362,029)
	<u>218,554</u>	<u>(573,587)</u>
<b>Cash flows from investing activities</b>		
Purchase of capital assets	(8,947)	(11,002)
Reinvested investment income	(161,809)	(103,419)
Proceeds on sale of investments	250,000	5,750
	<u>79,244</u>	<u>(108,671)</u>
<b>Increase (decrease) in cash during the year</b>	<b>297,798</b>	<b>(682,258)</b>
<b>Cash, beginning of year</b>	<b>440,511</b>	<b>1,122,769</b>
<b>Cash, end of year</b>	<b>\$ 738,309</b>	<b>\$ 440,511</b>

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## **United Way of Kitchener-Waterloo and Area Summary of Significant Accounting Policies**

**December 31, 2006**

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### **Nature of Business**

The United Way of Kitchener-Waterloo and Area (United Way) is a non-profit, non-partisan, volunteer driven organization that engages in an effort to mobilize resources to support a broad range of non-profit human care services. It exists to improve the quality of life of all people in the Cities of Kitchener and Waterloo, and the Townships of Wellesley, Wilmot, and Woolwich by raising and investing money in services and programs that help meet human needs in our communities.

The United Way operates according to the highest standards of conduct consistent with its commitment to volunteerism, integrity, accountability, accessibility, being apolitical and having respect for donors, service providers, and the users of services.

The United Way is a charitable organization registered under the Income Tax Act of Canada and, as such, is exempt from income taxes.

### **Financial Instruments**

It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of its financial instruments approximate their carrying values, unless otherwise noted.

### **Investments**

Investments are stated at the lower of cost and market value.

### **Capital Assets**

Capital assets are stated at cost less accumulated depreciation. Depreciation based on the estimated useful life of the asset is calculated as follows:

Computer equipment	-	30 % diminishing balance basis
Office equipment	-	20 % diminishing balance basis
Leasehold improvements	-	20 % diminishing balance basis

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## **United Way of Kitchener-Waterloo and Area Summary of Significant Accounting Policies**

**December 31, 2006**

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### **Revenue Recognition**

The organization holds several fundraising campaigns annually, including a fall workplace campaign and various special events. Campaign pledges, proceeds from special events and one-time donations generated during any one year are recognized as revenue in the following year. Amounts received prior to the year-end attributable to the campaigns and activities of the current year are reported as advance campaign receipts. Fundraising and program expenditures are expensed as incurred.

Campaign pledges of the prior year uncollected at the balance sheet date are reported as pledges receivable if collection in the following year is reasonably assured. Uncollectible pledges are written off.

All campaign pledges, proceeds from special events and one-time donations are considered available for unrestricted use with the exception of donor designations.

Donor designations represent donations made by individuals and corporations which are designated to be distributed to other United Ways, Member Agencies of the United Way and/or other charitable organizations. Donor designations are paid to the designated agencies annually. Donor designated donations which have been collected in the current year but have not yet been paid to designated agencies are reported as accrued donor designations.

Investment income, Forever Fund income, and other income is recognized on the accrual basis as it is earned. Investment income earned is retained in the fund to which the investments are held.

### **Contributed Services**

Volunteers contribute many hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

### **Gifts in Kind**

The organization benefits from substantial gifts in kind that include but are not limited to office occupancy (Marsland Centre) and communication expertise (Quarry Integrated Communications). These financial statements do not reflect any revenue or expenditures related to gifts in kind.

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# United Way of Kitchener-Waterloo and Area Summary of Significant Accounting Policies

**December 31, 2006**

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## **Fund Accounting**

The Board of Directors has created three internally restricted funds. These funds include an Operating Fund and two Reserve Funds. The Reserve Funds include the Stabilization / Emergency Fund and the Supplemental Initiatives Fund.

The purpose of the Operating Fund is to conduct annual fundraising campaigns to raise funds for distribution to the community and to cover fundraising and program expenditures. Any surplus generated by the Operating Fund is transferred to the Stabilization / Emergency Fund to the limits specified below, with the excess being transferred to the Supplemental Initiatives Fund. Any deficit experienced by the Operating Fund is recovered from the Stabilization / Emergency Fund to the extent that funds are available.

The purpose of the Stabilization / Emergency Fund is to supplement allocations to agencies when campaign revenues (collection of pledges) are depressed and/or to provide funding in the event of an emergency, such as natural or man-made disasters. The balance of the fund is not to exceed 15% of the average of total campaign revenue for the three-year period ended on the balance sheet date. The excess balance after the transfer to or from the operating fund, if any, is transferred to the Supplemental Initiatives Fund.

The purpose of the Supplemental Initiatives Fund, originally established in 1991 as the Future Initiatives Fund, is to provide funding for future initiatives. These may include, but are not limited to, the following purposes; bequest/endowment funds, United Way Capital fund, new initiatives, grants, agencies' capital campaigns, and guaranteed sustaining allocations when the annual campaign is lower than previous performances.

## **Allocation of Expenditures**

Expenditures incurred by the organization are classified as fundraising, program, or administrative expenditures. Administrative expenditures are allocated 70% to fundraising and 30% to program expenditures.

## **Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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## United Way of Kitchener-Waterloo and Area Notes to Financial Statements

**December 31, 2006**

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### 1. Cash

The organization's bank account is held at one chartered bank. The bank account earns nominal interest.

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### 2. Investments

	2006	2005
Fixed income mutual funds (market value - \$1,482,719)	\$ 1,479,304	\$ 1,590,665
Canadian equity mutual funds (market value - \$222,979)	215,982	192,812
	\$ 1,695,286	\$ 1,783,477

These investments are held by the Kitchener and Waterloo Community Foundation, which provides investment management for community organizations on a fee for service basis. The investments are segregated from operations and are intended to provide a source of funding for the balances in the Stabilization/Emergency Fund and the Supplemental Initiatives Fund.

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### 3. Capital Assets

	2006		2005	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Computer equipment	\$ 46,340	\$ 26,564	\$ 37,393	\$ 18,088
Office equipment	18,305	8,699	18,305	6,297
Leasehold improvements	2,258	813	2,258	452
	\$ 66,903	\$ 36,076	\$ 57,956	\$ 24,837
Net book value		\$ 30,827		\$ 33,119

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## United Way of Kitchener-Waterloo and Area Notes to Financial Statements

**December 31, 2006**

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#### 4. Accounts Payable and Accrued Liabilities

	<u>2006</u>	<u>2005</u>
Trade accounts payable	\$ 146,282	\$ 51,082
Accrued liabilities	10,000	8,000
Supplemental Initiatives Fund grants payable	81,620	-
Forever Fund grants to be allocated (overpaid)	<u>(309)</u>	<u>9,389</u>
	<u>\$ 237,593</u>	<u>\$ 68,471</u>

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#### 5. Forever Fund

The United Way Forever Fund is held by the Kitchener and Waterloo Community Foundation. The income from this fund shall be paid to the United Way each year on or before December 31. Should the United Way cease to exist, the income from the Forever Fund would be disbursed by the Foundation's Board of Directors to charities in the community working for the betterment of the communities in a manner consistent with the historic role of the United Way. During the year, the United Way received income of \$50,077 from the Forever Fund and provided grants to the community of \$59,775. The difference of \$9,698 represents the payment of grants to be allocated from the prior year of \$9,389 and an overpayment of \$309 (See Note 4). Grants provided to the community in the upcoming fiscal year will be reduced by \$309.

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## United Way of Kitchener-Waterloo and Area Notes to Financial Statements

**December 31, 2006**

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### 6. Inter-fund Transfers

During the year, the surplus generated in the operating fund was transferred to the Stabilization / Emergency Fund, and the excess of the defined maximum balance in the Stabilization / Emergency Fund was transferred to the Supplemental Initiatives Fund, as described in the summary of significant accounting policies (page 8). In addition, the Board of Directors approved a transfer from the Supplemental Initiatives Fund to the Operating Fund to fund certain grants provided to the community. The inter-fund transfers are summarized as follows:

	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund
Transfer operating surplus to reserves	\$ (242,603)	\$ 242,603	\$ -
Transfer excess balance	-	(275,376)	275,376
	\$ (242,603)	\$ (32,773)	\$ 275,376

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### 7. Commitments

The organization has an operating lease for its premises at \$7,507 per month, under a lease expiring on December 31, 2007.

The minimum annual lease payments are as follows:

2007	\$	90,088
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The organization has also committed to provide grants from the Supplemental Initiatives Fund in 2007 totaling \$211,600 to various community programs and initiatives.

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### 8. Comparative Amounts

Certain comparative amounts have been reclassified to conform with the presentation adopted in the current year.

## United Way of Kitchener-Waterloo and Area Schedule 1 - Community Allocations

**For the year ended December 31** **2006** **2005**

**Allocations to Member Agencies:**

ACCKWA - Aids Committee of Cambridge, Kitchener, Waterloo & Area	<b>\$ 38,000</b>	<b>\$</b>	38,000
Women's Crisis Services	<b>187,000</b>		187,000
Big Brothers Big Sisters of Kitchener-Waterloo and Area	<b>267,580</b>		267,580
Brain Injury Association Waterloo & Wellington	<b>31,500</b>		31,500
The Canadian Hearing Society	<b>65,000</b>		65,000
Canadian Mental Health Association, Waterloo Region	<b>143,200</b>		143,200
Canadian National Institute for the Blind	<b>147,757</b>		147,757
Canadian Red Cross Society, Kitchener-Waterloo Branch	<b>87,100</b>		87,100
Catholic Family Counselling Centre	<b>369,000</b>		369,000
Central Ontario Developmental Riding Program	<b>45,000</b>		45,000
Child Witness Centre of Waterloo Region	<b>68,000</b>		68,000
Community Justice Initiatives of Waterloo Region	<b>107,000</b>		107,000
Community Care Concepts of Woolwich, Wellesley, & Wilmot	<b>22,000</b>		22,000
Elizabeth Fry Society	<b>15,000</b>		15,000
Epilepsy Waterloo-Wellington	<b>15,812</b>		15,812
Extend-A-Family Association	<b>21,500</b>		21,500
Focus for Ethnic Women - Waterloo Region	<b>25,535</b>		25,535
Food Bank of Waterloo Region	<b>46,850</b>		46,850
House of Friendship	<b>317,600</b>		317,600
Independent Living Centre of Waterloo Region	<b>45,000</b>		45,000
John Howard Society of Waterloo Wellington	<b>141,000</b>		141,000
K-W Access-Ability	<b>69,000</b>		69,000
K-W Counselling Services Inc.	<b>550,250</b>		550,250
K-W Multicultural Centre	<b>30,000</b>		30,000
Kitchener-Waterloo Friendship Group for Seniors	<b>10,000</b>		10,000
YWCA of Kitchener-Waterloo	<b>288,000</b>		288,000
Labour Community Services of Waterloo Region	<b>73,600</b>		36,800
Learning Disabilities Association of Kitchener-Waterloo	<b>23,915</b>		23,915
<b>Total carried forward</b>	<b>\$ 3,251,199</b>	<b>\$</b>	<b>3,214,399</b>

## United Way of Kitchener-Waterloo and Area Schedule 1 - Community Allocations

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Total carried forward</b>	<b>\$ 3,251,199</b>	<b>\$ 3,214,399</b>
The Literacy Group of Waterloo Region	18,000	18,000
Multiple Sclerosis Society Waterloo Region	11,000	11,000
Interfaith Community Counselling Centre	21,000	21,000
Ontario March of Dimes	46,430	51,588
Parents for Community Living	16,500	16,500
RAISE Home Support Services for the Elderly	20,400	20,400
R.O.O.F. (Reaching Our Outdoor Friends)	69,000	69,000
St. John Ambulance	16,500	16,500
Shalom Counselling Services - Waterloo Region	28,000	28,000
Social Planning Council of Kitchener-Waterloo	57,500	57,500
Volunteer Action Centre of Kitchener-Waterloo & Area	64,500	64,500
Woolwich Community Services	35,000	35,000
Woolwich Interfaith Counselling Centre	23,000	23,000
The Working Centre	25,000	25,000
Waterloo Region Wraparound	12,000	12,000
YMCA of Kitchener-Waterloo	207,750	207,750
Labour Program Costs	-	429
<b>Allocations to Member Agencies</b>	<b>3,922,779</b>	<b>3,891,566</b>
<b>Donor designations to Member Agencies</b>	<b>113,896</b>	<b>151,165</b>
<b>Donor designations to other charitable organizations</b>	<b>59,646</b>	<b>107,040</b>
<b>Funds distributed to the community</b>	<b>\$ 4,096,321</b>	<b>\$ 4,149,771</b>

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**United Way of Kitchener-Waterloo and Area  
Schedule 2 - Community Grants from the Operating Fund**

<b>For the year ended December 31</b>	<b>2006</b>
<b>Partnership grants</b>	
Pakistan Canada Association	\$ 770
K-W Counselling Services	9,355
K-W Multicultural Centre	2,500
YMCA of Kitchener-Waterloo	1,250
African Canadian Association	1,250
	15,125
<b>Organizational Development grants</b>	
Opportunities Waterloo Region	1,200
<b>Prevention grants</b>	
Community Safety & Crime Prevention Council	5,000
Woolwich Interfaith Counselling Centre	21,000
K-W Counselling Services Inc.	26,612
Centre for Research & Education in Human Services	5,000
ACCKWA - Aids Committee of Cambridge, Kitchener, Waterloo & Area	16,000
Women's Crisis Services	19,188
	92,800
<b>Sponsorship grants</b>	
Independent Living Centre of Waterloo Region	500
Big Brothers Big Sisters of Kitchener-Waterloo & Area	3,000
Scouts Canada	1,160
Central Ontario Developmental Riding Program	3,600
Community Safety & Crime Prevention Council	500
Every Kid Counts	3,500
YWCA of Kitchener-Waterloo	3,000
Kitchener-Waterloo Art Gallery	2,000
Ray of Hope	3,000
	20,260
<b>Total carried forward</b>	<b>\$ 129,385</b>

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**United Way of Kitchener-Waterloo and Area  
Schedule 2 - Community Grants from the Operating Fund**

<b>For the year ended December 31</b>	<b>2006</b>
<b>Total carried forward</b>	<b>\$ 129,385</b>
<b>Ventures and New Initiatives grants</b>	
Victim Services of Waterloo Region	2,000
Elizabeth Fry Society	2,000
Centre for Research & Education in Human Services	3,000
K-W Counselling Services Inc.	5,000
Women's Crisis Services	3,900
	<u>15,900</u>
<b>United Wave grants</b>	
Grand River Collegiate	2,670
Kitchener Collegiate Institute	1,000
Waterloo Oxford District Secondary School	1,000
United Wave program expenses	114
	<u>4,784</u>
<b>Forever Fund grants (Note 5)</b>	
Big Brothers Big Sisters of Kitchener-Waterloo & Area	1,500
Brain Injury Association - Waterloo & Wellington	2,000
Catholic Family Counselling Centre	9,500
Food Bank of Waterloo Region	5,000
Independent Living Centre of Waterloo Region	3,500
K-W Friendship Group for Seniors	8,416
K-W Multicultural Centre	5,632
Out of the Cold	1,200
ROOF - Reaching Our Outdoor Friends	4,785
Wilmot Family Resources Centre	2,742
House of Friendship	2,500
Woolwich Community Services	10,000
Four Directions - Aboriginal Restorative Justice	3,000
Reduction in grants to be distributed from the prior year (Note 5)	(9,389)
Grants provided to the community in excess of funds available (Note 5)	(309)
	<u>50,077</u>
	<u>\$ 200,146</u>

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**United Way of Kitchener-Waterloo and Area  
Schedule 3 - Community Grants from the Supplemental Initiatives  
Fund**

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Supplemental Initiatives Fund Grants</b>		
For Kids' Sake and Alliance for Children & Youth of Waterloo Region	<b>\$ 166,495</b>	\$ 139,150
Multiculturalism - Helping it Work	<b>20,000</b>	20,000
Waterloo Region Immigrant Employment Network	<b>75,000</b>	-
Social Innovation Research - Diversity Education Series	-	5,000
Tsunami Relief Fund	-	15,000
	<b>\$ 261,495</b>	\$ 179,150

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## United Way of Kitchener-Waterloo and Area Schedule 4 - Fundraising Expenditures

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Fundraising expenditures:</b>		
Direct mail	\$ 40,010	\$ 41,008
Leadership	8,327	8,440
National corporate strategy	7,500	-
Planned giving	1,278	2,622
Salaries and wages	168,902	153,099
Special events	37,207	36,364
Workplace campaign	39,985	60,165
Total direct fundraising expenditures	<b>303,209</b>	301,698
Allocation of administrative expenditures (Schedule 6)	<b>430,545</b>	424,087
<b>Total fundraising expenditures</b>	<b>\$ 733,754</b>	<b>\$ 725,785</b>

## United Way of Kitchener-Waterloo and Area Schedule 5 - Program Expenditures

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Program expenditures:</b>		
Community and staff relations	\$ 5,757	\$ 4,680
Salaries and wages	177,138	171,922
United Way of Canada Affiliation Fees	40,654	40,797
Total direct program expenditures	<b>223,549</b>	217,399
Allocation of administrative expenditures (Schedule 6)	<b>184,519</b>	181,751
<b>Total program expenditures</b>	<b>\$ 408,068</b>	<b>\$ 399,150</b>

**United Way of Kitchener-Waterloo and Area  
Schedule 6 - Administrative Expenditures**

<b>For the year ended December 31</b>	<b>2006</b>	<b>2005</b>
<b>Administrative expenditures:</b>		
Automobile	\$ 13,609	\$ 16,474
Computer	3,495	4,402
Credit card commissions	6,523	4,812
Depreciation	11,239	11,727
Equipment rental	9,512	6,881
Insurance	4,609	4,640
Meetings	1,599	1,967
Occupancy	87,751	82,771
Office supplies	12,809	12,498
Payroll - Salaries and wages	318,710	278,755
Payroll - Employee benefits	87,728	77,886
Payroll - CEO search	-	58,892
Postage	8,717	9,372
Professional fees	9,245	12,110
Telephone	6,335	4,610
Travel and conference	28,130	14,936
Website annual maintenance	5,053	3,105
Total administrative expenditures	<b>615,064</b>	605,838
Allocation to fundraising expenditures (Schedule 4)	<b>(430,545)</b>	(424,087)
Allocation to program expenditures (Schedule 5)	<b>(184,519)</b>	(181,751)
<b>Total administrative expenditures</b>	<b>\$ -</b>	<b>\$ -</b>