

**United Way of Kitchener-Waterloo
and Area**
Financial Statements
For the year ended December 31, 2007



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

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Auditors' Report

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, 2007 and the statements of operations, 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 (used) 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, 2007 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants, Licensed Public Accountants

Kitchener, Ontario
March 12, 2008

United Way of Kitchener-Waterloo and Area Balance Sheet

December 31				2007	2006
	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund	Total	Total
Assets					
Current					
Cash and cash equivalents (Note 2)	\$ 876,359	\$ -	\$ -	\$ 876,359	\$ 738,309
Investments (Note 3)	406,050	808,268	546,068	1,760,386	1,695,286
Pledges receivable	522,107	-	-	522,107	725,558
Prepaid expenses	14,989	-	-	14,989	3,659
	1,819,505	808,268	546,068	3,173,841	3,162,812
Capital assets (Note 4)	24,293	-	-	24,293	30,827
	\$ 1,843,798	\$ 808,268	\$ 546,068	\$ 3,198,134	\$ 3,193,639
Liabilities and Fund Balances					
Current					
Accounts payable and accrued liabilities (Note 5)	\$ 73,717	\$ -	\$ 216,663	\$ 290,380	\$ 237,593
Accrued donor designations	211,555	-	-	211,555	263,106
Advance campaign receipts	1,431,237	-	-	1,431,237	1,381,245
Deferred contributions (Note 6)	102,996	-	-	102,996	-
	1,819,505	-	216,663	2,036,168	1,881,944
Fund balances					
Invested in capital assets	24,293	-	-	24,293	30,827
Internally restricted	-	808,268	329,405	1,137,673	1,280,868
	24,293	808,268	329,405	1,161,966	1,311,695
	\$ 1,843,798	\$ 808,268	\$ 546,068	\$ 3,198,134	\$ 3,193,639

On behalf of the Board:



Donald Hunt, Chair



Jeff Oberholtzer, Treasurer

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

For the year ended December 31					2007	2006
	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund	Total		
Fund balances , beginning of year, as originally stated	\$ 30,827	\$ 819,406	\$ 461,462	\$ 1,311,695	\$ 1,271,511	
Change in accounting policy (Note 1)	2,044	5,033	3,335	10,412	-	
Fund balances , beginning of year, as restated	32,871	824,439	464,797	1,322,107	1,271,511	
Net funds remaining (used) during the year	30,579	31,998	(190,392)	(127,815)	40,184	
Realized loss on disposal of investments available for sale	(470)	(1,156)	(766)	(2,392)	-	
Unrealized change in market value during the year of investments available for sale (Note 3)	(6,814)	(13,744)	(9,376)	(29,934)	-	
Inter-fund transfers (Note 8)	(31,873)	(33,269)	65,142	-	-	
Fund balances , end of year	\$ 24,293	\$ 808,268	\$ 329,405	\$ 1,161,966	\$ 1,311,695	
Balance of unrealized losses on investments included in closing fund balances	\$ (5,240)	\$ (9,867)	\$ (6,807)	\$ (21,914)	\$ -	

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 Operations

For the year ended December 31

2007

2006

	Operating Fund	Stabilization / Emergency Fund	Supplemental Initiatives Fund	Total	Total
Revenue					
Campaign	\$ 4,919,279	\$ -	\$ -	\$ 4,919,279	\$ 5,063,130
Special events	35,389	-	-	35,389	77,739
Donor designations - Member Agencies	53,132	-	-	53,132	113,896
Donor designations - other charitable organizations	52,680	-	-	52,680	59,646
Transfers from other United Ways	121,198	-	-	121,198	97,054
Donor designations - other United Ways	68,107	-	-	68,107	73,212
Total campaign revenue	5,249,785	-	-	5,249,785	5,484,677
Transfers to other United Ways	(68,107)	-	-	(68,107)	(73,212)
Non-payment of pledges	(309,243)	-	-	(309,243)	(205,951)
Recovery of non-payment of pledges from prior years	42,938	-	-	42,938	206,895
Net campaign revenue	4,915,373	-	-	4,915,373	5,412,409
Other revenue	43,299	-	-	43,299	48,160
Forever Fund income (Note 7)	78,815	-	-	78,815	55,117
Amortization of deferred contributions (Note 6)	17,004	-	-	17,004	37,500
Investment income	78,616	38,595	25,580	142,791	189,795
Investment management fees	(1,082)	(6,597)	(4,372)	(12,051)	(3,013)
Total revenue	5,132,025	31,998	21,208	5,185,231	5,739,968
Fundraising expenditures (Schedule 4)	771,582	-	-	771,582	733,754
Net revenue available for community investment	4,360,443	31,998	21,208	4,413,649	5,006,214
Community Investment Expenditures					
Community allocations (Schedule 1)	3,816,262	-	-	3,816,262	4,096,321
Community grants (Schedules 2 and 3)	118,009	-	211,600	329,609	461,641
Program expenditures (Schedule 5)	395,593	-	-	395,593	408,068
	4,329,864	-	211,600	4,541,464	4,966,030
Net funds remaining (used) for the year	\$ 30,579	\$ 31,998	\$ (190,392)	\$ (127,815)	\$ 40,184

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

For the year ended December 31	2007	2006
Cash flows from operating activities		
Net funds remaining (used) for the year	\$ (127,815)	\$ 40,184
Items not involving cash		
Depreciation of capital assets	8,833	11,239
Amortization of deferred contributions	(17,004)	(37,500)
	<u>(135,986)</u>	13,923
Changes in non-cash working capital balances		
Pledges receivable	203,451	(13,018)
Prepaid expenses	(11,330)	1,358
Accounts payable and accrued liabilities	52,787	169,122
Accrued donor designations	(51,551)	98,411
Advance campaign receipts	49,992	(88,742)
	<u>107,363</u>	181,054
Cash flows from investing activities		
Purchase of capital assets	(2,299)	(8,947)
Reinvested investment income	(87,014)	(161,809)
Proceeds on sale of investments	-	250,000
	<u>(89,313)</u>	79,244
Cash flows from financing activities		
Receipt of deferred contributions	120,000	37,500
Increase in cash during the year	138,050	297,798
Cash, beginning of year	738,309	440,511
Cash, end of year	\$ 876,359	\$ 738,309

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

December 31, 2007

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 Statement Presentation

These financial statements have been prepared in accordance with the Transparency, Accountability and Financial Reporting Policies for United Ways ("TAFR") set forth by the United Way of Canada. These policies provide for consistent reporting and presentation of revenues and expenditures amongst all United Way organizations in Canada and provide a framework for the allocation of expenditures between program, fundraising, and administrative activities. Expenditures are allocated to the program, fundraising, and administrative categories based on the nature of the expenditures and the actual activities performed during the year and as such, these allocations will vary over time.

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

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

December 31, 2007

Revenue Recognition

The organization holds several fundraising events annually. 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.

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

December 31, 2007

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.

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

December 31, 2007

Financial instruments

It is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from their financial instruments.

All transactions related to financial instruments are recorded on a trade-date basis. The fair value of financial instruments are determined using published price quotations, where applicable.

The company classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The company's accounting policy for each category is as follows:

Held-for-trading

This category is comprised of cash and cash equivalents. They are carried in the balance sheet at fair value with changes in fair value recognized in the Statement of Operations. Transaction costs related to instruments classified as held-for-trading are expensed as incurred.

Available-for-sale

This category is comprised of investments. They are carried on the Balance Sheet at fair market value with changes in fair value recognized in the Statement of Fund Balances. Transaction costs related to instruments classified as available-for-sale are expensed as incurred.

Loans and receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates. They arise principally through amounts pledged to the organization (pledges receivable). They are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment. Transaction costs related to loans and receivables are expensed as incurred.

Other financial liabilities

Other financial liabilities includes all financial liabilities and are comprised of accounts payable and accrued liabilities, accrued donor designations, advance campaign receipts and deferred contributions. These liabilities are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method. Transaction costs related to other financial liabilities are expensed as incurred.

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

December 31, 2007

1. Change in Accounting Policy

On January 1, 2007, the organization retroactively adopted, without restatement of prior periods, CICA Handbook Section 3861, "Financial Instruments - Disclosure and Presentation", and Section 3855, "Financial Instruments - Recognition and Measurement". These new Handbook Sections provide comprehensive requirements for the recognition and measurement of financial instruments.

Under these new standards, all financial instruments are included on the Balance Sheet and are measured at fair market value or, in limited circumstances, at cost or amortized cost.

In accordance with the provisions of these new standards, the organization reflected the following adjustments as of January 1, 2007:

- an increase of \$10,412 to investments and total current assets reflecting the unrealized accrued gains on these investments, and
- increases of \$2,044, \$5,033 and \$3,335 to the Operating Fund, Stabilization/Emergency Fund, and Supplemental Initiatives Fund balances respectively, reflecting the proportionate share of the accrued gains in each fund.

The adoption of these new standards had no material impact on the organization's Statement of Operations or Statement of Cash Flows.

2. Cash

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

3. Investments

	2007	2006
	(market)	(cost)
Fixed income mutual funds	\$ 1,610,781	\$ 1,479,304
Canadian equity mutual funds	149,605	215,982
	<u>\$ 1,760,386</u>	<u>\$ 1,695,286</u>

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.

In accordance with the new standards for financial instruments, these available-for-sale investments were written up to market value as at January 1, 2007 as described in Note 1. During the year, the market value of these investment declined by a total of \$29,934 and as such, the investments were written down to fair value with an adjustment reported in the Statement of Fund Balances.

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

December 31, 2007

4. Capital Assets

	2007		2006	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Computer equipment	\$ 48,639	\$ 33,187	\$ 46,340	\$ 26,564
Office equipment	18,305	10,620	18,305	8,699
Leasehold improvements	2,258	1,102	2,258	813
	\$ 69,202	\$ 44,909	\$ 66,903	\$ 36,076
Net book value		\$ 24,293		\$ 30,827

5. Accounts Payable and Accrued Liabilities

	2007	2006
Trade accounts payable	\$ 63,217	\$ 146,282
Accrued liabilities	10,500	10,000
Supplemental Initiatives Fund grants payable	216,663	81,620
Forever Fund grants overpaid	-	(309)
	\$ 290,380	\$ 237,593

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

December 31, 2007

6. Deferred Contributions - The Ontario Trillium Foundation

	Collaborative Grant	Software Grant	2007	2006
Balance, beginning of year	\$ -	\$ -	\$ -	\$ -
Restricted contributions received	75,000	45,000	120,000	37,500
Amounts amortized to revenue	(16,782)	(222)	(17,004)	(37,500)
	\$ 58,218	\$ 44,778	\$ 102,996	\$ -

The collaborative grant is being provided over three years to encourage in-depth dialogue that has brought people together to exchange ideas, understand issues better, and commit to a collaborative model of action to make a positive impact on the community at large, as it focuses on strengthening the non-profit sector, in particular.

The software grant is being provided over two years to purchase and implement a new software system to integrate information from multiple databases and improve the organizations' overall ability to strategically fund and address emerging local issues.

The use of the funds is restricted to the activities agreed upon by the organization and The Ontario Trillium Foundation.

7. 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 \$78,815 from the Forever Fund and provided grants to the community of \$78,584.

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

December 31, 2007

8. 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 9). 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	\$ (31,873)	\$ 31,873	\$ -
Transfer excess balance	-	(65,142)	65,142
	\$ (31,873)	\$ (33,269)	\$ 65,142

9. Commitments

The organization has an operating lease for its premises that expires on December 31, 2009. The lease includes rent at a nominal rate and monthly operating costs at an estimated rate of \$7,520 per month.

Estimated minimum annual lease payments are as follows:

2008	\$ 90,238
2009	90,238
	\$ 180,476

The organization has also committed to provide grants from the Supplemental Initiatives Fund in 2008 totaling \$175,000 to various community programs and initiatives.

10. 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 Notes to Financial Statements

December 31, 2007

11. New Accounting Pronouncements

Recent accounting pronouncements that have been issued but are not yet effective, and have a potential implication for the organization, are indicated below. The organization is currently assessing the impact of these standards.

Cash Distributions

CICA Handbook Section 1540, Cash Flow Statements, has been amended to require additional disclosures where cash distributions are made in accordance with a contractual obligation for cash distributions. The revised requirements are effective for interim and annual financial statements for fiscal years ending on or after March 31, 2007.

Capital disclosures

CICA Handbook Section 1535, Capital Disclosures, requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

General standards on financial statement presentation

CICA Handbook Section 1400, General Standards on Financial Statement Presentation, has been amended to include requirements to assess and disclose an entity's ability to continue as a going concern. The changes are effective for interim and annual financial statements beginning on or after January 1, 2008.

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

For the year ended December 31 **2007** **2006**

Allocations to Member Agencies:

ACCKWA - Aids Committee of Cambridge, Kitchener, Waterloo & Area	\$ 36,075	\$	38,000
Women's Crisis Services	173,312		187,000
Big Brothers Big Sisters of Kitchener-Waterloo and Area	251,521		267,580
Brain Injury Association Waterloo & Wellington	29,925		31,500
The Canadian Hearing Society	61,750		65,000
Canadian Mental Health Association, Waterloo Region	130,010		143,200
Canadian National Institute for the Blind	143,675		147,757
Canadian Red Cross Society, Kitchener-Waterloo Branch	82,745		87,100
Catholic Family Counselling Centre	350,570		369,000
Central Ontario Developmental Riding Program	42,000		45,000
Child Witness Centre of Waterloo Region	48,750		68,000
Community Justice Initiatives of Waterloo Region	102,000		107,000
Community Care Concepts of Woolwich, Wellesley, & Wilmot	20,000		22,000
Elizabeth Fry Society	14,250		15,000
Epilepsy Waterloo-Wellington (recovery)	(3,900)		15,812
Extend-A-Family Association	10,000		21,500
Focus for Ethnic Women - Waterloo Region	25,535		25,535
Food Bank of Waterloo Region	44,040		46,850
House of Friendship	301,223		317,600
Independent Living Centre of Waterloo Region	45,000		45,000
John Howard Society of Waterloo Wellington	133,848		141,000
K-W Access-Ability	65,456		69,000
K-W Counselling Services Inc.	522,750		550,250
K-W Multicultural Centre	27,300		30,000
Kitchener-Waterloo Friendship Group for Seniors	9,200		10,000
YWCA of Kitchener-Waterloo	279,440		288,000
Labour Community Services of Waterloo Region	73,600		73,600
Learning Disabilities Association of Kitchener-Waterloo	23,915		23,915
Total carried forward	\$ 3,043,990	\$	3,251,199

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

For the year ended December 31	2007	2006
Total carried forward	\$ 3,043,990	\$ 3,251,199
The Literacy Group of Waterloo Region	17,100	18,000
Multiple Sclerosis Society Waterloo Region	11,000	11,000
Interfaith Community Counselling Centre	20,160	21,000
Ontario March of Dimes	44,108	46,430
Parents for Community Living	15,675	16,500
RAISE Home Support Services for the Elderly	20,400	20,400
R.O.O.F. (Reaching Our Outdoor Friends)	66,000	69,000
St. John Ambulance	16,500	16,500
Shalom Counselling Services - Waterloo Region	26,880	28,000
Social Planning Council of Kitchener-Waterloo	51,612	57,500
Volunteer Action Centre of Kitchener-Waterloo & Area	63,210	64,500
Woolwich Community Services	37,800	35,000
Woolwich Interfaith Counselling Centre	42,240	23,000
The Working Centre	25,000	25,000
Waterloo Region Wraparound	11,400	12,000
YMCA of Kitchener-Waterloo	197,375	207,750
Allocations to Member Agencies	3,710,450	3,922,779
Donor designations to Member Agencies	53,132	113,896
Donor designations to other charitable organizations	52,680	59,646
Funds distributed to the community	\$ 3,816,262	\$ 4,096,321

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

For the year ended December 31	2007
General Grants	
Infant and Toddler Safety Association	\$ 3,000
The Working Centre	15,000
K-W Counselling Services Inc.	6,000
	24,000
 Partnership grants	
Pakistan Canada Association	1,050
K-W Counselling Services Inc.	4,799
K-W Multicultural Centre	2,500
African Canadian Association	2,500
Tri-City Multicultural Centre for Development	960
	11,809
 Sponsorship grants	
Independent Living Centre of Waterloo Region	500
 United Wave grants	
Grand River Collegiate Institute	1,000
Kitchener-Waterloo Collegiate and Vocational School	1,000
Resurrection Catholic Secondary School	290
Choices for Youth	517
	2,807
 Forever Fund grants (Note 7)	
Catholic Family Counselling Centre	21,018
K-W Multicultural Centre	18,000
R.O.O.F (Reaching Our Outdoor Friends)	17,825
Canadian Mental Health Association, Waterloo Region	2,158
Nutrition for Learning	4,000
Community Care Concepts of Woolwich, Wellesley & Wilmot	9,383
Strong Start Charitable Foundation	6,200
Reduction in grants to be distributed from the prior year (Note 5)	309
	78,893
	\$ 118,009

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

For the year ended December 31	2007	2006
Supplemental Initiatives Fund Grants		
For Kids' Sake and Alliance for Children & Youth of Waterloo Region	\$ 136,600	\$ 166,495
Multiculturalism - Helping it Work	-	20,000
Waterloo Region Immigrant Employment Network	75,000	75,000
	\$ 211,600	\$ 261,495

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

For the year ended December 31	2007	2006
Fundraising expenditures:		
Direct mail and communication	\$ 42,979	\$ 40,010
Leadership	19,650	8,327
National corporate strategy	-	7,500
Planned giving	593	1,278
Salaries and wages	284,205	168,902
Special events	17,372	37,207
Workplace campaign	44,031	39,985
Total direct fundraising expenditures	408,830	303,209
Allocation of administrative expenditures (Schedule 6)	362,752	430,545
Total fundraising expenditures	\$ 771,582	\$ 733,754

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

For the year ended December 31	2007	2006
Program expenditures:		
Community and staff relations	\$ 14,625	\$ 5,757
Salaries and wages	186,667	177,138
United Way of Canada Affiliation Fees	38,836	40,654
Total direct program expenditures	240,128	223,549
Allocation of administrative expenditures (Schedule 6)	155,465	184,519
Total program expenditures	\$ 395,593	\$ 408,068

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

For the year ended December 31	2007	2006
Administrative expenditures:		
Automobile	\$ 16,094	\$ 13,609
Computer	17,126	3,495
Credit card commissions	7,048	6,523
Depreciation	8,833	11,239
Equipment rental	6,618	9,512
Insurance	4,341	4,609
Meetings	2,010	1,599
Occupancy	86,859	87,751
Office supplies	51,619	12,809
Payroll - Salaries and wages	143,914	318,710
Payroll - Employee benefits	80,831	87,728
Postage	5,718	8,717
Professional fees	10,822	9,245
Research	22,926	-
Telephone	9,419	6,335
Travel and conference	39,084	28,130
Website annual maintenance	4,955	5,053
Total administrative expenditures	518,217	615,064
Allocation to fundraising expenditures (Schedule 4)	(362,752)	(430,545)
Allocation to program expenditures (Schedule 5)	(155,465)	(184,519)
Total administrative expenditures	\$ -	\$ -