

**UNITED WAY FOR THE
CITY OF KAWARTHA
LAKES**

Financial Statements
Year Ended March 31, 2021

Contents

	Page
Auditors' Report	1a-b
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flow	5
Notes to the Financial Statements	6-13

Independent Auditor's Report

To the Directors of United Way For The City Of Kawartha Lakes:

Qualified Opinion

We have audited the accompanying financial statements of United Way for the City of Kawartha Lakes ("United Way"), which comprise the statement of financial position as at March 31, 2021, 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 for the City of Kawartha Lakes as at March 31, 2021 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.

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, 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 General Meeting report, 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.

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.

Lindsay, Ontario
September 8, 2021

Hutton Angelo LLP

Chartered Professional Accountants
Licensed Public Accountants

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Statement of Financial Position
as at March 31, 2021

	2021	2020
ASSETS		
Current		
Cash and cash equivalents (Note 4)	\$ 243,543	\$ 139,927
HST rebate receivable	4,525	3,778
Uncollected Pledges (Note 5)	68,599	62,716
Canada Emergency Wage Subsidy (CEWS) receivable	3,109	-
Other current assets (Note 6)	3,847	4,038
	323,623	210,459
Capital Assets (Note 7)	16,588	-
	\$ 340,211	\$ 210,459
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 28,191	\$ 61,190
Sublease tenant deposit	-	650
Deferred grant revenue (Note 8)	73,681	66,115
	101,872	127,955
Deferred Capital Contributions (Note 9)	13,874	-
	115,746	127,955
Net Assets		
Distribution Reserve	224,465	82,504
	\$ 340,211	\$ 210,459

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Statement of Operations
for the year March 31, 2021

	2021	2020
Campaign Revenue		
Campaign donations	\$ 326,327	\$ 282,495
Uncollectible pledges	(443)	3,558
	325,884	286,053
Other Revenues		
Community program grants and fees (Note 10)	101,273	72,418
COVID-19 grants:		
Emergency Community Support Fund	374,699	
New Horizons Seniors Program	49,728	
Canada Emergency (and Temporary) Wage Subsidies	40,389	
City of Kawartha Lakes COVID-19	5,354	
Fundraising events and activities	-	19,519
Rental income	15,125	16,225
	586,567	108,162
Total Revenue	912,451	394,215
Distributions and Community Programs:		
Amortization, small equipment and maintenance	9,260	3,812
Affiliation fee	3,425	2,615
Bursary payments	-	1,200
Direct program expenses (Note 10)	49,535	52,862
Distributions to member agencies and others (Note 11)	452,433	86,422
Professional services	6,637	5,294
Publicity and promotion	5,689	1,709
Rent	14,878	27,196
Telephone, insurance, office and miscellaneous	16,257	14,650
Wages and benefits	191,277	152,917
Total distributions and community program expenses	749,391	348,677
Operating Expenses:		
Amortization, small equipment and maintenance	697	673
Advertising and promotion	428	554
Affiliation fee	258	461
Fundraising events and activities	2,774	12,623
Professional Services	500	934
Rent	1,120	4,799
Telephone, office and miscellaneous	1,224	2,175
Wages and benefits	14,098	26,985
Total operating expenses	21,099	49,204
Total distributions and operating expenses	770,490	397,881
Excess (Deficiency) of Revenue over Expenses	\$ 141,961	\$ (3,666)

See accompanying notes to the financial statements

UNITED WAY FOR THE CITY OF KAWARTHA LAKES
Statement of Changes in Net Assets
for the year ended March 31, 2021

	2021		2020	
	Total	Distribution Reserve	Total (All Distribution Reserve)	
Balance- beginning of year	\$ 82,504	\$ 82,504	\$	86,170
Excess(Deficit) of Revenues over Expenses for the year	141,961	141,961		(3,666)
Balance- end of year	\$ 224,465	\$ 224,465	\$	82,504

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Statement of Cash Flow
for the year March 31, 2021

	2021	2020
Cash flow from operating activities		
Excess of Revenue over Expenses	\$ 141,961	(3,666)
Items not affecting cash:		
Amortization of operating grants	\$ (53,961)	(57,555)
Amortization of capital assets	2,877	-
Amortization of deferred capital contributions	(1,520)	-
	89,357	(61,221)
Changes in non-cash working capital:		
HST rebate receivable	(747)	(543)
Uncollected Pledges	(9,640)	56,358
Other current assets	191	1,498
Accounts payable and accrued liabilities	(33,001)	(18,643)
Net cash provided by operating activities	46,160	(22,551)
Cash flows from investing activities		
Purchase of tangible capital assets	(19,465)	-
Capital asset grants received and deferred	15,394	-
Net cash provided by investing activities	(4,071)	-
Cash flows from financing activities		
Operating reallocated to capital grants deferred	(15,394)	-
Operating grants received and deferred	76,921	67,000
	61,527	67,000
Cash and cash equivalents at the beginning of the year	139,927	95,478
Cash and cash equivalents at the end of the year	\$ 243,543	\$ 139,927
Cash and cash equivalents consists of:		
Cash	\$ 243,543	\$ 139,927

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2021

1. DESCRIPTION OF THE ORGANIZATION

United Way for the City of Kawartha Lakes 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 for the City of 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 for the City of 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 for the City of Kawartha Lakes. This income is recognized on an accrual basis.

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements
for the year March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(v) Investment income

From time to time, United Way for the City of Kawartha Lakes receives securities donations. The investment income represents the dividends, interest and gains/losses on those shares. Investment income is recognized when it is earned. No securities donations were received during 2021.

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

Change in Accounting Policy in 2021

During 2021 the Organization exceeded the \$500,000 revenue threshold exempting it from capitalizing their assets, reporting on the statement of financial position and estimating their useful lives. Upon exceeding this threshold the organization must adopt ASNPO handbook section 4433 Tangible Capital Assets Held by No-For-Profit Organizations. The Organization is permitted to apply this change in accounting policy on a prospective basis, capitalizing tangible capital assets purchased, or contributed, in the current year and future periods. Once adopted, the Organization is not permitted to stop reporting and tracking their tangible capital assets on the statement of financial position, even if revenues should reduce below the exemption threshold once again.

Capital assets are recorded at a cost and amortized over their estimate lives using the declining balance method at the following annual rates. When the Organization observes conditions that indicate that a tangible capital assets 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 for the City of 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, 2021 and no changes in these exposures from last year.

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

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 for the City of 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.

Distributions to member agencies

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

In accordance with the United Way of Canada- Centraide Canada's Transparency Accountability and Financial Reporting Policies for United Ways, the United Way for the City of Kawartha Lakes allocates costs which do not pertain specifically to campaign and community programs based on management's estimates of time and direct expenditures as follows:

	2021	2020
Operating expenses	7%	15%
Distributions and community programs	93%	85%
	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, 2021 was nil.

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2021

4. CASH AND CASH EQUIVALENTS

	2021	2020
Petty Cash	\$ 150	\$ 150
TD Canada Trust	213,905	79,264
TD Trust Account	1,788	1,872
TD Grant Funding Account	27,701	58,641
	<u>\$ 243,543</u>	<u>\$ 139,927</u>

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

	2021	2020
Pledges receivable	\$ 73,762	\$ 67,437
Allowance for uncollectible pledges	(5,163)	(4,721)
	<u>\$ 68,599</u>	<u>\$ 62,716</u>

The 2021 allowance for uncollectible pledges was calculated as 7% of the pledges receivable balance. The 2020 allowance for uncollectible pledges was calculated as 7% of the pledges receivable balance.

6. OTHER CURRENT ASSETS

Other current assets represents prepaid expenses:

	2021	2020
Prepaid United Way Centraide fees	\$ -	\$ 405
Prepaid insurance	1,181	967
Prepaid rent	2,666	2,666
	<u>\$ 3,847</u>	<u>\$ 4,038</u>

7. CAPITAL ASSETS

	2021		2021	
	Cost	Accumulated Amortization	Net book value	Net book value
Garden buildings and structures	\$ 571	\$ 38	\$ 533	\$ -
Furniture, fixtures and equipment	14,823	1,482	13,341	-
Computers	4,071	1,357	2,714	-
	<u>\$ 19,465</u>	<u>\$ 2,877</u>	<u>\$ 16,588</u>	<u>\$ -</u>

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.

\$ 2,877 \$ -

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements

for the year March 31, 2021

8. DEFERRED OPERATING CONTRIBUTIONS

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

	2021	2020
Balance - beginning of year	\$ 66,115	\$ 56,670
Amount recognized as revenue in the year	(53,961)	(57,555)
Amount reallocated to deferred capital funding	(15,394)	-
Amount received in the current year	76,921	67,000
Balance - end of year	\$ 73,681	\$ 66,115

Allocation of deferred contributions operating funding are as follows:

	2021	2020
New Horizons - The Cultivators	\$ 1,641	\$ 1,641
New Horizons - Veggies for Vets	99	99
New Horizons Edwin Binney Fresh Produce for Seniors	25,000	25,000
New Horizons COVID-Rural Emergency Food & Health Outreach for Seniors	3,587	-
CKL Legacy C.H.E.S.T	516	10,496
RBC Foundation	3,000	-
Restricted donations	8,875	7,474
TD Friends of the Environment Foundation	1,450	1,601
Otto and Marie Pick Foundation	19,247	19,804
President's Choice Children's Charity community Fund Grant	619	-
City of Kawartha Lakes - COVID 19 Social Services Relief Fund	9,646	-
	\$ 73,681	\$ 66,115

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.

	2021	2020
Balance, beginning of year	\$ -	\$ -
Restricted community gardens contributions utilized to purchase capital assets	15,394	-
Less:		
Amounts amortized to income	(1,520)	-
	\$ 13,874	\$ -

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements
for the year March 31, 2021

10. COMMUNITY PROGRAMS

The Organization receives various grants and specific bequests to conduct various community building programs. The operating cost for these programs is not funded from campaign revenue.

11. DISTRIBUTIONS TO MEMBER AGENCIES AND OTHER

As a result of the pandemic the board of directors passed a motion to cease their formal needs assessment and allocations process to member agencies for 2021 and have focussed their efforts as the chosen agency to distribute the Federal Government's Emergency Community Support Fund (ECSR) payments, as well as The Federal Government's (NHSP) New Horizon's for Seniors Program. Designated pledges made by donors throughout the year have been honoured as paid or payable as of the yearend date.

The distributions to member agencies and others, including COVID relief, prior year allocations and directed donations are as follows:

	Designated Donor Distributions	ECSR	NHSP	Total for 2021	Designated Distributions 2020
A Place Called Home	\$ 250	\$ 27,500	\$ -	\$ 27,750	\$ -
Big Brothers & Big Sisters of KL	1,198	35,722	-	36,921	12,086
Boys & Girls Club KL & Hal	25	25,500	-	25,525	-
Canadian Mental Health Association	1,298	17,500	-	18,798	4,532
Central Food Network	-	10,000	7,564	17,564	-
Coboconk & Area Food Bank	-	5,102	1,500	6,602	-
Community Care City Kawartha Lakes	100	27,500	20,000	47,600	7,554
Community Living Kawartha Lakes	1,188	-	-	1,188	3,182
Easter Seals	-	7,600	-	7,600	-
Five Counties Children's Centre	-	17,924	-	17,924	-
Haliburton Highlands Health Services	-	19,925	-	19,925	-
John Howard Society of Kaw. Lakes	3,938	20,000	-	23,938	10,575
Junior Achievement of Peterborough	-	-	-	-	-
Lakeland Muskoka	-	16,500	-	16,500	-
Kawartha Haliburton Victim Services	-	10,000	-	10,000	-
Kawartha Lakes Centre of Hope	-	7,500	-	7,500	-
Kawartha North Family Health Team	-	18,450	-	18,450	-
Kinmount & Area Food bank	-	-	1,500	1,500	-
Minden Food Bank	-	-	4,250	4,250	-
Ontario Early Years	1,038	-	-	1,038	-
Point in Time	-	27,500	-	27,500	-
Rotary Club of Haliburton Charitable	-	10,500	5,500	16,000	-
SIRCH Community Services	-	22,500	6,500	29,000	-
Special Olympics	-	10,000	-	10,000	-
St John Ambulance	938	-	-	938	3,182
Therapeutic Horse Riding in Lindsay	-	7,500	-	7,500	-
Victoria County Career Services	938	-	-	938	8,158
Other- one time allocations and donor designations	49,983	-	-	49,983	37,153
	\$ 60,896	\$ 344,723	\$ 46,814	\$ 452,433	\$ 86,422

The other - one time allocations and designations represents specific funding that UWCKL distributes outside of the formal needs assessment and allocations program. The 2021 balance includes \$44,285 in donated non surgical masks to be distributed to high risk agencies.

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements
for the year March 31, 2021

12. RESTRICTIONS OF NET ASSETS

The Board of Directors has internally restricted all of unrestricted net assets to be used as follows:

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 to member agencies
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

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 for the City of 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.

	2021	2020
Operations ratio:		
Total revenue	\$ 912,451	\$ 394,215
Add (less) provision for uncollectible pledges	443	(3,558)
Total revenue before pledge loss provision	912,894	390,657
Direct fundraising	2,774	12,623
Allocation of indirect general management & administration expenses (Note 2)	18,325	36,581
Total operating expenses	\$ 21,099	\$ 49,204
Operating (fundraising) costs as a percentage of revenues	2%	13%

UNITED WAY FOR THE CITY OF KAWARTHA LAKES

Notes to the Financial Statements
for the year March 31, 2021

14. COMMITMENTS

The United Way for the City of Kawartha Lakes had a signed lease agreement, with 2274887 Ontario Inc, effective July 1, 2021 that ends June 30, 2026. No termination clause and an option to renew for another 5 years within 180 days of the lease expiry. The expected future minimum lease payments are as follows:

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

2022	\$	30,783
2023		40,300
2024		40,300
2025		40,300
2026		40,300

15. SUBSEQUENT EVENTS - COVID-19

On March 11, 2020, the World Health Organization declared the Coronavirus COVID-19 (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

From the declaration of the pandemic to the date of approval of these financial statements, the United Way for the City of Kawartha Lakes implemented the following actions in relation to the COVID-19 pandemic:

- * Office closure with the exception of limited access for essential operating purposes.
- * The implementation of working from home requirements for all employees
- * Continued efforts to secure much needed PPE and appropriate sanitizing supplies

a) Current year transactions:

Due to the uncertainty of the economic fallout from the pandemic and the likely, but unknown, impact on pledge collection loss, the board of directors decided to forgo the usual needs assessment process for 2021 and utilized the well established, and transparent, citizens review process to distribute \$344,723 of the ECSR and \$46,814 of the NHSP funding received from the government in response to the crisis.

In addition to the disbursement of funds received from the federal government, the UWCKL was also in receipt of funding from various levels of government supporting the Community Gardens' pilot projects responding to increased food insecurity of the community's most vulnerable .

The community gardens continued to provide much needed food for local residents as they harvested, and distributed, over 12,700 pounds of fresh produce during the summer of 2020.

b) Subsequent events related to COVID-19:

The UWCKL applied for, and received in May 2021, an additional \$6,218 of the Canada Emergency Wage Subsidy, half of which pertained to the final payperiod in March 2021 and was accrued. The UWCKL also applied for the City of Kawartha Lakes Community Pandemic Recovery Fund (CPRF) of \$25,500 and received the funds in April 2021.

The community gardens continue to provide much needed fresh produce for the vulnerable in the community with over 10,000 pounds produced, and distributed, by the time these financial statements were approved.

The overall effect of these events on UWCKL and its future cash flows is too uncertain to be estimated. The impact will be accounted for when it is known and can be measured.