

Financial Statements of

**UNITED WAY OF
GREATER TORONTO**
(OPERATING AS UNITED WAY GREATER TORONTO)

And Independent Auditor's Report thereon

Year ended March 31, 2026



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of United Way of Greater Toronto

Opinion

We have audited the financial statements of United Way of Greater Toronto (operating as United Way Greater Toronto) (the Entity), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity 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 opinion.



Responsibilities 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 29, 2026

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

(Incorporated under the laws of Ontario)

Statement of Financial Position

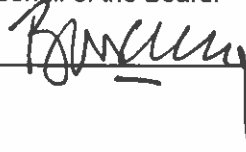
(In thousands of dollars)

March 31, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 34,986	\$ 44,980
Accounts receivable	670	683
Prepaid expenses	115	98
	<u>35,771</u>	<u>45,761</u>
Long-term assets:		
Investments:		
Reserves (note 2)	78,053	73,977
The Tomorrow Fund™ - Endowment (note 3)	37,668	35,013
Long-term receivables	353	366
Capital assets (note 4)	9,211	9,325
	<u>\$ 161,056</u>	<u>\$ 164,442</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 3,663	\$ 5,953
Designation payable to registered charities	4,228	4,783
Deferred revenue (note 7(a))	16,762	20,287
	<u>24,653</u>	<u>31,023</u>
Long-term liabilities:		
Accrued net pension liability (note 6)	2,416	2,534
Deferred revenue (note 7(b))	2,692	2,611
	<u>5,108</u>	<u>5,145</u>
Total liabilities	29,761	36,168
Net assets:		
Financial Reserves (note 2)	78,053	73,977
The Tomorrow Fund™ - Endowment (note 3)	37,668	35,013
Investment in capital assets (note 4)	9,211	9,325
Unrestricted Net Assets	6,363	9,959
	<u>131,295</u>	<u>128,274</u>
Commitments (note 16)		
	<u>\$ 161,056</u>	<u>\$ 164,442</u>

See accompanying notes to financial statements.

On behalf of the Board:



Trustee



Trustee

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Statement of Operations
(In thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Campaign Revenue:		
Campaign revenue - UWGT (note 8)	\$ 107,826	\$ 110,550
Campaign revenue - Other UWC's and charities (note 8)	29,424	23,243
Campaign revenue - Interest income	914	1,639
	<u>138,164</u>	<u>135,432</u>
Government and other revenue:		
Government grants (note 9)	12,887	10,473
Government emergency revenue (note 10)	—	351
Other revenue	26	967
	<u>12,913</u>	<u>11,791</u>
Investments Income:		
Financial Reserves (note 11(a))	3,682	5,357
The Tomorrow Fund™ - Endowments (note 11(b))	3,863	2,958
	<u>7,545</u>	<u>8,315</u>
Total revenue	158,622	155,538
Fundraising Expense (note 12)	27,146	26,246
	<u>131,476</u>	<u>129,292</u>
Net revenue available for distributions and community programs	131,476	129,292
Distributions and community investment programs:		
Community investments via UWGT network of agencies, partners (note 13)	69,575	69,526
Programs and organizations supported by restricted gifts (note 14)	2,859	3,798
Programs and organizations supported by government and other revenue	10,151	8,255
Government emergency programs (note 10)	—	(200)
Designations to registered charities (note 8)	29,424	23,243
Community services and program support (note 15)	17,096	16,382
Total distributions and community programs	129,105	121,004
Excess of revenue over distributions and expenses	\$ 2,371	\$ 8,288

See accompanying notes to financial statements.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Statement of Changes in Net Assets
(In thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	2026		2025		
	Unrestricted Net Assets	Investment in Capital Assets	Financial Reserves (note 2)	The Tomorrow Fund™ - Endowment (note 3)	Total
Net assets, beginning of year	\$ 9,959	\$ 9,325	\$ 73,977	\$ 35,013	\$ 128,274
Excess (deficiency) of revenue over distributions and expenses	(142)	(1,350)	-	3,863	2,371
Transfer of investment income to reserve accounts (note 11(a))	(3,682)	-	3,682	-	-
Pension remeasurements and other items (notes 6)	118	-	-	-	118
Endowment withdrawals	1,740	-	-	(1,740)	-
Endowment contributions	-	-	-	532	532
Investment in capital assets	(1,236)	1,236	-	-	-
Interfund transfers - capital	(394)	-	394	-	-
Net assets balance, end of year	\$ 6,363	\$ 9,211	\$ 78,053	\$ 37,668	\$ 131,295
					\$ 128,274

See accompanying notes to financial statements.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Statement of Cash Flows (In thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash flows from operating activities:		
Excess of revenue over distributions and expenses	\$ 2,371	\$ 8,288
Items not involving cash:		
Amortization of capital assets	1,350	1,244
Unrealized gains on investments	(3,501)	(3,525)
Change in non-cash operating working capital	(5,748)	(7,034)
Cash-used in operating activities	(5,528)	(1,027)
Cash flows from financing activities:		
Endowment contributions, net of withdrawals	1,208	1,169
Cash flows from investing activities:		
Purchase of capital assets	(1,236)	(2,071)
Net Investments	(4,438)	(2,719)
Cash used in investing activities	(5,674)	(4,790)
Decrease in cash and cash equivalents during the year	(9,994)	(4,648)
Cash and cash equivalents, beginning of year	44,980	49,628
Cash and cash equivalents, end of year	\$ 34,986	\$ 44,980

See accompanying notes to financial statements.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements
(In thousands of dollars)

Year ended March 31, 2026

The mission of United Way of Greater Toronto (operating as United Way Greater Toronto) ("United Way" or "UWGT") is to meet urgent human needs and improve social conditions by mobilizing the community's volunteer and financial resources in a common cause of caring.

The vision is to build vibrant, equitable communities where collaboration with partners, residents and leaders foster connections, growth and resilience.

United Way is registered as a charitable organization under the Income Tax Act (Canada) (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, United Way must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook, and includes significant accounting policies summarized below.

(a) Revenue recognition:

United Way's financial statements are prepared using the deferral method of accounting for contributions, which include campaign revenue.

Donations are comprised of and recognized as follows:

(i) Campaign Revenue:

United Way recognizes unrestricted donations as revenue when received, i.e. on a cash basis.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)

(In thousands of dollars)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(ii) Restricted donations:

Donations restricted for a specific purpose by the donors, that have not been spent at the end of the year are recorded as deferred revenue on the statement of financial position. They are recognized as campaign revenue when distributed (note 8).

(iii) Designations to registered charities:

Designations to registered charities that have not been disbursed at year end is recorded as Designation payable to registered charities on the statement of financial position. Upon disbursement, the payment is recorded as an expense, and the donation is recorded as campaign revenue in the year the related disbursement occurs.

Designations can only be made to other United Ways or to other registered charities.

Centrally Coordinated Campaigns ("CCC")

United Way Greater Toronto ("UWGT") participates in Centrally Coordinated Campaigns ("CCC"), which are national or multi-regional fundraising initiatives administered through a centralized United Way structure which UWGT is the host. These campaigns are designed to provide consistency in messaging, efficiency in fundraising operations, accountability, and transparency across participating United Ways are aligned and consistent across different regions of United Way, matching our corporate partners' structure.

Funds received or processed through CCC are designated by the donor to other registered Canadian charities including other United Ways. These funds are considered flow-through revenue. As UWGT does not have discretion over the use of these funds, such amounts are not recognized as revenue in the accompanying financial statements and are excluded from both revenue and expenses.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

1. Significant accounting policies (continued):

- Funds received from other United Ways under CCC arrangements:

Funds received from other United Ways under the CCC arrangement are reported as campaign revenue when received.

- Funds received for other United Ways under CCC arrangements:

Funds received or processed through CCC that are designated by the donor to other registered charities are not recognized as revenue in the accompanying financial statements and are excluded from both revenue and expenses.

This reporting method follows the Transparency, Accountability and Financial Reporting ("TAFR") policy as established by United Way Centraide Canada ("UWCC"). The TAFR policy is intended to provide consistent guidance for financial reporting across all United Ways.

(iv) Investments income:

Investment Interest income includes dividends, interest, and realized gains/losses from cash and cash equivalents, and investments are recognized on a cash basis and net change in unrealized gains/losses from cash and cash equivalents are recognized on accrual basis.

Campaign revenue Interest income from cash and cash equivalents are recognized on a cash basis.

(v) Government grants:

Government grants represent funds received from the Federal, Provincial and Municipal governments.

Government grant revenue is recognized when the related program expenses and grants have been disbursed.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(vi) Other revenue:

Other revenue includes funds received from a court-ordered settlement (note 7(b)), issued to utility companies and whose associated funds are administered by United Way.

(vii) Endowment contributions:

Endowment contributions, which are donor directed and restricted, are recognized as increases in net assets in the year in which they are received. Investment income earned on endowed funds that are restricted, is deferred and recognized in income in the year the related expenses are recognized. Investment income earned on endowed funds, whereby the principle is restricted but the investment earned thereon is not restricted, is recognized in income in the year earned. UWGT does not currently have any endowed funds whereby the investment income is restricted, therefore, all investment income earned in the year has been recognized in the statement of operations.

(b) Cash and cash equivalents:

Cash and cash equivalents include deposits in banks, certificates of deposit and short-term investments with original maturities of less than three months.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. United Way has elected to carry its fixed income and pooled fund investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)

(In thousands of dollars)

Year ended March 31, 2026

1. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, United Way determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount United Way expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

(d) Capital assets:

Purchased capital assets are recorded at cost. When a capital asset no longer contributes to United Way's ability to provide services, its carrying amount is written down to its residual value. Capital assets are amortized on the following basis using the following rates:

Asset	Basis	Rate
Automobiles	Declining balance	25%
Information Technology Systems and Software	Straight line	3 - 10 years
Computer equipment	Straight line	3 years
Furniture and fixtures	Declining balance	15%
Leasehold improvements	Straight line	Term of lease

(e) Contributed materials and services:

Because of the difficulty in determining their fair value, contributions of materials and services are not recognized in the financial statements. Volunteers contribute a substantial number of hours each year to assist United Way in carrying out its fundraising and community services and program support activities. However, those services cannot be readily valued and are therefore not recognized in the financial statements.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(f) Employee future benefits:

The Supplemental Executive Retirement Plan ("SERP") is an unfunded deferred compensation plan that the United Way offers to select senior executives. The United Way uses the immediate recognition approach to account for the plan by accruing its obligation as actuarially determined annually.

(g) Allocation of expenses:

General management and administrative expenses include costs related to governance, financial management, compliance, donor database management, information systems, and general office support. These activities provide the administrative and operational infrastructure necessary to support fundraising and program delivery, ensure appropriate stewardship of charitable resources, and maintain accountability to donors and other stakeholders

General management and administrative expenses are allocated based on either direct support activities or headcount-driven allocations for fundraising activities, and community services and program support activities (note 15).

(h) Use of estimates:

The preparation of financial statements in compliance with ASNPO 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 revenue and expenses during the year. Actual results could differ from those estimates.

Items subject to such estimates and assumptions include the obligations related to employee future benefits and allocation of expenses.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

2. Financial reserves:

Financial Reserves of \$78,053 (2025 - \$73,977) are held in investments which are aligned with the Statement of Investment Policy and Procedures ("SIPP") and reflect the financial reserves of the United Way. The financial reserves are for the United Way's long-term financial sustainability to deliver its mission. Adequate financial reserves will be maintained to:

- (a) Provide a contingency for a significant revenue shortfall, for example, contingencies for ongoing financial commitments of the United Way's operations and community programs.
- (b) Direct funds for new strategic initiatives as identified in the approved annual budget, business plan and risk management plan of the United Way.
- (c) Fund significant and major capital infrastructure assets as required.

Management has categorized the financial reserves as long-term investments based on intent of use, regardless of the nature of the liquid assets held. However, should circumstances warrant the use of these financial reserves, they will be accessible as follows: Community reserves as approved by the Board of Trustees. Operations reserve as approved by the Chief Financial & Operating Officer ("CFOO"), and President & Chief Executive Officer ("CEO"). Capital Reserve as approved by the CFOO and President & CEO.

The Community Reserve is the "backstop" to UWGT's long-term financial commitments to its network of agencies, i.e. 5-Year Anchor Programs and 3-Year "Community Program Grants". The Operations Reserve is for the on-going operations of the business. The Capital Reserve is for technology innovation, rehabilitation and maintenance.

The Community Reserve and Operations Reserve are for UWGT's financial and long-term sustainability and UWGT continuously being rebuilt to meet the threshold levels as established by UWGT's Reserves Policy. In addition, preservation of capital and liquidity remains the main investment objective for Community Reserves and Operations Reserve when considering the financial uncertainties and market volatility.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

2. Financial reserves (continued):

The investments are set aside for the reserves, as recorded in the statement of financial position and statement of changes in net assets as follows:

	2026	2025
Financial reserves:		
Community Reserve	\$ 58,120	\$ 55,340
Operations Reserve	19,015	18,138
Capital Reserve	918	499
	<u>\$ 78,053</u>	<u>\$ 73,977</u>

3. The Tomorrow Fund™ - Endowment:

The United Way has established an investment pooling arrangement with The Toronto Foundation, whereby The Toronto Foundation administers the investments, complying with the Investment Pooling Agreement.

The Tomorrow Fund™ - Endowment serves as the vehicle in which United Way invests endowment gifts from donors. The primary objective of The Tomorrow Fund™ is to accumulate and preserve capital, while generating investment income to support United Way's programs and projects. Commencing in fiscal 2024-2025 it is United Way's practice to allocate endowment distributions of 5% from The Tomorrow Fund™.

The Tomorrow Fund™ - Endowment investments are pooled with the Toronto Foundation's investments. The Tomorrow Fund value of \$37,668 (2025 - \$35,013) experienced a net increase of \$2,655 (2025 - \$1,789), resulting from contributions of \$532 (2025 - \$482), endowment returns of \$3,863 (2025 - \$2,958) and distributions of \$1,740 (2025 - \$1,651).

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)

(In thousands of dollars)

Year ended March 31, 2026

3. The Tomorrow Fund™ - Endowment (continued):

The following provides the asset allocation of The Tomorrow Fund™ - Endowment in compliance with United Way's Statement of Investment Policies and Procedures.

	2026	2025
Cash and cash equivalents	2%	1%
Fixed income securities	11%	13%
Equities and other strategies	87%	86%
	100%	100%

Other strategies include real assets, hedge funds, opportunistic investments and private equity, venture capital among others.

UWGT's Endowment Funds Investment Manager, Toronto Foundation is required to comply with ESG Investing, in alignment with the SIPP.

4. Capital assets:

	2026		2025	
	Cost	Accumulated amortization	Net book value	Net book value
Automobiles	\$ 29	\$ 24	\$ 5	\$ 6
Information Technology				
Systems and Software	11,301	3,276	8,025	8,083
Computer equipment	842	569	273	295
Furniture and fixtures	546	80	466	482
Leasehold improvements	860	418	442	459
	\$ 13,578	\$ 4,367	\$ 9,211	\$ 9,325

United Way invested \$1,236 (2025 - \$2,071) in two key projects to enhance digital transformation. These were: (i) @Work Fundraising Tool; and (ii) Salesforce Nonprofit Success Pack CRM. During the year, the amortization expense is \$1,350 (2025 - \$1,244).

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$13 (2025 - \$11).

6. Employee future benefits:

Information about United Way's SERP is as follows (note 1(f)):

Pension liability	2026	2025
Opening accrued pension liability	\$ (2,534)	\$ (2,540)
Employer contributions	169	168
Defined benefit cost	(118)	(177)
Pension remeasurement	67	15
Closing accrued pension liability	\$ (2,416)	\$ (2,534)

7. Deferred revenue:

(a) Deferred revenue represents funds received from donors including individuals and corporations, bequests, and government, that are being held for future recognition based on direction in donation and funding agreements.

Deferred revenue is comprised of the following at year end:

	2026	2025
Deferred revenue - Campaign	\$ 15,851	\$ 19,229
Deferred revenue - Government	642	797
Deferred revenue - Hydro settlement	269	261
Total Current deferred revenue	\$ 16,762	\$ 20,287

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

7. Deferred revenue (continued):

(b) In July 2011, United Way was the recipient of a \$11,234 legal settlement related to a class action against a group of electricity distribution companies in Ontario. United Way was charged as the administrator to distribute these funds pooled under the Hydro Settlement Fund, through an appropriate Low-Income Energy Assistance Program. Funds are distributed based on the agencies' requests to United Way.

The financial information of the Hydro Settlement Fund are as follows at the end of this fiscal year:

	2026	2025
Current portion of other deferred revenue (note 7(a))	\$ 269	\$ 261
Long-term portion of other deferred revenue	2,692	2,611
Total other deferred revenue	\$ 2,961	\$ 2,872

8. Campaign revenue:

Campaign revenue relates to donations mainly received from donors in the Peel, Toronto and York Region area. United Way, like some other United Ways in the movement, acts on behalf of employers and employee groups as the coordinator of their national campaigns and to receive and disburse funds on behalf of other United Ways within local communities, this is known as CCC, note 1(a)(iii). While these donations flow through United Way, they are not recognized as revenue in these financial statements, in accordance with TAFR policy of UWCC.

Campaign revenue for United Way is as follows:

	2026	2025
Campaign revenue - UWGT	\$ 113,809	\$ 116,585
Funds received from other United Ways (note 1(a)(iii))	2,574	2,083
Funds received for other United Ways (note 1(a)(iii))	(8,557)	(8,118)
Campaign revenue - UWGT	\$ 107,826	\$ 110,550

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

8. Campaign revenue (continued):

Campaign revenue received from donors in Peel, Toronto and York Region area that have been directed to other United Ways and other charities by the donor are as follows.

	2026	2025
UWGT network of agencies and partners	\$ 620	\$ 793
Other United Ways	5,394	3,257
Other Canada Revenue Agency registered charities	23,410	19,193
	<u>\$ 29,424</u>	<u>\$ 23,243</u>

9. Government grants:

	2026	2025
Reaching Home - York Region (a)	\$ 10,919	\$ 9,808
Peel Newcomer Strategy Group (b)	1,258	665
Skills Development Fund (c)	424	-
City of Toronto program funding (d)	286	-
Government grants	<u>\$ 12,887</u>	<u>\$ 10,473</u>

(a) Reaching Home 2019-2028 - York Region:

Reaching Home - York Region is funded by the Federal Government through Housing Infrastructure and Community Canada. The original five-year agreement for funding of \$6,776 was extended to a nine-year program (2019-2020 to 2027-2028) with total funding of \$73,150.

United Way, through its grant management expertise, continues to administer and implement Reaching Home - York Region, through capital investment in over 50 transitional and permanent supportive housing units in the Regional Municipality of York, and pursuing a Coordinated Access System and the creation of an Indigenous Homelessness Strategy.

UNITED WAY OF GREATER TORONTO

(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

9. Government grants (continued):

(b) Peel Newcomer Strategy Group ("PNSG"):

The PNSG program is a Local Immigration Partnership ("LIP") and community collaboration designed to enhance the social and economic inclusion of immigrants to the Peel community, serving Brampton, Caledon and Mississauga. This program is funded by the Federal Government through Immigration Refugees and Citizenship Canada ("IRCC") and the Region of Peel. United Way has served as Region of Peel's LIP since 2007.

There are ongoing funding agreements in place that extend through March 31, 2028.

(c) Skills Development Fund:

The Skills Development Fund - Training Stream is an Employment Ontario program that enables project-based solutions that offer partnership-driven approaches to stimulate economic growth in emerging and key growth sectors of Ontario's economy. The one year agreement with UWGT is for funding of \$600 from March 31, 2025 to March 30, 2026.

(d) City of Toronto Program Funding:

UWGT received multiple one-time grant funding from the City of Toronto to support a range of community programs. Funding agreements primarily relate to the neighbourhood's assessment works, community safety and community development projects, newcomer services and leadership initiatives, and short-term research and needs assessments.

There are ongoing funding agreements in place that extend through March 31, 2027.

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(OPERATING AS UNITED WAY GREATER TORONTO)

Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

10. Government emergency revenue:

Community Services Recovery Fund ("CSRF"):

CSRF Funding Agreement was funded by Employment & Social Development Canada through UWCC for the period from November 4, 2022, to September 20, 2024.

From program inception to March 31, 2024, the CSRF program incurred expenditures of \$15,719, with \$593 remaining in deferred revenue. For the fiscal year ended March 31, 2025, \$351 was spent and unspent funds of \$242 were returned to UWCC in September 2024, completing the program.

11. Investment income:

(a) Investment income from Financial Reserves is as follows:

	2026	2025
Interest and dividend	\$ 2,213	\$ 2,422
Realized gains	1,138	989
Unrealized gains	331	1,946
Total	\$ 3,682	\$ 5,357

(b) Investment income from The Tomorrow Fund™ - Endowment is as follows:

	2026	2025
Interest and dividend	\$ 194	\$ 332
Realized gains	499	1,047
Unrealized gains	3,170	1,579
Total	\$ 3,863	\$ 2,958

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Notes to Financial Statements (continued)
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12. Calculation of fundraising cost revenue ratios:

To address the reporting requirements of UWCC Transparency, Accountability and Financial Reporting policy, United Way uses the following method to calculate cost revenue ratios:

	2026	2025
Total revenue, excluding government contributions and investment activities	\$ 138,190	\$ 136,399
Breakdown of Fundraising expenses:		
Direct fundraising expenses	15,815	15,298
Allocated expenses	11,331	10,948
	27,146	26,246
	\$ 111,044	\$ 110,153
Total fundraising expenses as a percentage of total revenue	19.6%	19.2%

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Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

13. Community investments through United Way's network of agencies, partners and community services:

	2026	2025
Community Services (a)	\$ 61,165	\$ 60,861
Inclusive Communities (b)	4,142	2,730
Inclusive Employment (c)	2,632	3,037
Strategic Initiatives (d)	175	2,098
Community Real Estate (e)	1,461	800
Community investments	\$ 69,575	\$ 69,526

United Way partners with and supports a network of agencies to respond to community needs related to the impact of poverty and deliver evidence-based programs across Peel, York and Toronto.

(a) Community services:

Community Services focuses on delivering UWGT-led initiatives and funding to external service agencies to deliver high-impact, evidence-informed programs. These programs support people in or at risk of poverty, help individuals transition out of poverty, and address the systemic issues perpetuating poverty. Stable, longer-term funding and collaboration with agencies is an important and unique feature of UWGT's commitment to high-impact programs. Multi-year funding commitments of three-year and five-year investments give organizations the stability to plan ahead, adapt to emerging issues and support system-wide planning to make a real difference in people's lives.

(b) Inclusive communities:

Inclusive Communities portfolio supports United Way led initiatives that strengthen local neighbourhoods and ensure low-income residents can actively participate in shaping their communities. This is done through partnerships with local agencies and United Way-led community tables. Included are Neighbourhood Investments-Community Development which includes expansion to 10 neighbourhoods by 2035, as well as Community Innovations work on the Inclusive Local Economic Opportunity to strengthen UWGT's role as a convener that connects community, local businesses, employers, and institutions.

UNITED WAY OF GREATER TORONTO

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Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

13. Community investments through United Way's network of agencies, partners and community services (continued):

(c) Inclusive employment:

Inclusive Employment portfolio supports individuals to move along the education to employment continuum towards obtaining meaningful training, mentorship, and job opportunities. The portfolio includes industry-informed and demand-driven interventions, strategic initiatives such as community benefits networks as well as employment social enterprises.

(d) Strategic initiatives:

Strategic Initiatives drive collaboration among community agencies, government, and private sector partners. United Way staff lead these initiatives to coordinate cross-sector strategies and investments to address poverty and its root causes locally and the broader systemic level.

(e) Community Real Estate:

Community Real Estate, initiative focuses on creating sustainable community services space across the GTA by providing capital, space, and capacity building supports. It is to support community led initiatives to secure sustainable space or to expand and densify community-owned space for services or mixed use with affordable housing. UWGT is looking to enable and support an additional 10 UWGT Community Hubs - for a total of 20 UWGT in development or operational across the Greater Toronto Area by 2035.

14. Programs and organizations supported by restricted gifts:

United Way receives restricted funds from donors and other funders which are aligned to its mission. These funds are for specific programs, grant programs and capital projects managed by United Way. United Way works with these donors to match their specific giving interest to United Way funding priorities in the community and design, develop and implement supplemental programs to match donor interests.

UNITED WAY OF GREATER TORONTO

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Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

15. Community services and program support:

Community services and program supports the development and execution of United Way-led programs, such as fund distribution, research, public policy and administration of government programs. UWGT manages funding distribution to a network of UWGT partner agencies and provides oversight across the service network. In addition, UWGT performs research and advocates for meaningful public policy that mobilizes community and has shaped how our region tackles poverty. This work aims to dismantle the systemic and structural barriers at the root of poverty, and advances reconciliation and equity to create more equitable outcomes for residents across Peel, Toronto and York Regions.

It also includes program administration for government programs, allocation of expenses and United Way membership dues in accordance with the TAFR policy, established by UWCC.

	2026	2025
Community services and program support expenses:		
Direct expenses	\$ 9,104	\$ 8,513
Allocated expenses	6,655	6,628
United Way membership dues	1,337	1,241
Total	\$ 17,096	\$ 16,382

General management and administrative expenses are allocated as follows:

	2026	2025
Allocation of general management and administrative expenses:		
Fundraising	\$ 11,331	\$ 10,948
Community services and program support	6,655	6,628
Total	\$ 17,986	\$ 17,576

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Notes to Financial Statements (continued)
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Year ended March 31, 2026

16. Commitments:

- (a) United Way has community investment commitments of a minimum of \$64,645 annually to its network of agencies for the period of April 1, 2025 to March 31, 2028.

United Way's largest funding stream is through anchor funding which are five-year contract commitments, recently renewed in fiscal year 2023-2024, with commitments of a minimum of \$37,431 annually to its network of agencies for the period from April 1, 2023 to March 31, 2028.

The remaining funding stream is based on its community program grants which are three-year contract commitments, with a minimum of \$27,214 annually for the period from April 1, 2025 to March 31, 2028.

The community program grants also reflect the reconciliation and equity commitments of United Way.

- (b) United Way maintains offices in Peel, Toronto and York Region area. Lease expirations of these premises are as follows:
- (i) Peel office - with current lease expiring in September 2031;
 - (ii) Toronto office - with current lease expiring in January 2033; and
 - (iii) York Region office - with current lease expiring in June 2027.

2027	\$	1,957
2028		1,940
2029		2,106
2030		2,189
2031		2,179
Thereafter		3,874
	\$	14,245

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Notes to Financial Statements (continued)
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Year ended March 31, 2026

17. Financial risk management:

The main risks to which UWGT are outlined below. There is no significant change to the risk exposure from 2025.

(a) Currency risk:

United Way is exposed to financial risks with its securities denominated in a currency other than the Canadian dollar as a result of exchange rate fluctuations and the volatility of these rates. United Way does not currently enter into forward contracts to mitigate this risk. United Way mitigates these risks with investment policies designed to limit exposure and concentration while achieving optimal return within reasonable risk tolerances

(b) Liquidity risk:

Liquidity risk is the risk that United Way will be unable to fulfill its obligations on a timely basis or at a reasonable cost. United Way manages its liquidity risk by monitoring its operating requirements and its financial commitments. United Way prepares budgets and cash flow projections to ensure it has sufficient funds to fulfill its obligations. UWGT'S liquidity is measured by the quick ratio. The quick ratio of 2026 1:45:1 (2025 - 1.48:1) indicates sufficient liquid assets to meet short-term operating and financial obligations.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. United Way is exposed to credit risk with respect to other receivables. United Way assesses, on a continuous basis, other receivables and provides for any amounts that are not collectible. Cash and cash equivalents are held in creditworthy financial institutions in accordance with United Way's SIPP.

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Notes to Financial Statements (continued)
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Year ended March 31, 2026

17. Financial risk management (continued):

(d) Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. United Way may be exposed to other price risk on equity securities. United Way mitigates these risks with investment policies designed to limit exposure and concentration while achieving optimal return within reasonable risk tolerances. There has been no change in price risk as compared to the prior year.

(e) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in interest rates. The United Way is exposed to interest rate risk on its cash and cash equivalent investments as interest rates not maintaining pace with inflation. With consideration of changes in interest rates, the interest rate risk exposure has increased from the prior year.

(f) Operating line of credit:

Since year 2020, the Board of Trustees approved an operating line of credit for \$10,000 with a schedule 1 bank, a contingency plan to address the fundraising risk and financial uncertainties. To date, no amount has been drawn.

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Notes to Financial Statements (continued)
(In thousands of dollars)

Year ended March 31, 2026

18. Voluntary related party disclosures:

It is United Way's practice to disclose any payments to organizations in which a Board or Committee Member is an owner, partner or senior manager even though these transactions may not otherwise be disclosed under Section 4460 of Part III of the CPA Canada Handbook.

United Way incurred expenses for bank service, merchant, security brokerage, and management fees, with organizations with which certain members of the Board of Trustees and committee members are associated by way of employment, totaling approximately \$597 (2025 - \$533). These transactions are in the normal course of business and are measured at fair market value.

19. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.