
OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
FINANCIAL STATEMENTS
MARCH 31, 2021



INDEPENDENT AUDITORS' REPORT

To the Members of Options Mississauga Print and Office Services

Qualified Opinion

We have audited the accompanying financial statements of Options Mississauga Print and Office Services, which comprise the statement of financial position as at March 31, 2021, the statements of changes in net assets, general operations, capital replacement fund, fixed asset fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Options Mississauga Print and Office Services as at March 31, 2021, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, Options Mississauga Print and Office Services derives part of its revenue from donations and fundraising functions. In addition, the Organization also derives part of its revenue from cash retail store sales. The completeness of these revenues is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenue was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations, fundraising and store sales revenue, excess (deficit) of revenue over expenses and cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets as at April 1 and March 31 for both the 2021 and 2020 years. The 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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



INDEPENDENT AUDITORS' REPORT
(continued)

Auditors' 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 auditors' 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 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 Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 the auditors' report. However, future events or conditions may cause the Organization to cease to continue as a going concern.



**CAPSTICK
McCOLLUM**
& ASSOCIATES

INDEPENDENT AUDITORS' REPORT
(continued)

Auditors' Responsibilities for the Audit of the Financial Statements - continued

- 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.

CAPSTICK MCCOLLUM & ASSOCIATES

Capstick McCollum & Associates

Oakville, Ontario
December 15, 2021

Chartered Professional Accountants
Licensed Public Accountant

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF FINANCIAL POSITION

MARCH 31,	2021	2020
ASSETS		
CURRENT		
Cash - general	\$ 140,886	\$ 33,292
- restricted	25,042	25,042
- bingo - restricted	20,395	6,881
Accounts receivable - general - note 2	23,201	46,655
- bingo - restricted	-	1,605
Inventory	2,821	2,658
Prepaid expenses	3,542	3,585
	215,887	119,718
FIXED ASSETS - note 3	25,515	14,354
	241,402	134,072

LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities - note 4	43,417	15,025
Deferred revenue - note 5	87,757	35,781
	131,174	50,806
NET ASSETS	\$ 110,228	\$ 83,266

NET ASSETS ABOVE REPRESENTED BY

CAPITAL REPLACEMENT FUND	\$ 25,042	\$ 25,042
FIXED ASSET FUND	25,515	14,354
GENERAL FUND	59,671	43,870
	\$ 110,228	\$ 83,266

Approved on behalf of the Board:

Board Member

Board Member

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, **2021** **2020**

	Restricted		Unrestricted		Total	Total
	Capital Replacement Fund	Fixed Asset Fund	General Fund			
FUND BALANCE						
- beginning of year	\$ 25,042	\$ 14,354	\$ 43,870	\$ 83,266	\$ 112,069	
(Deficit) of revenue over expenses	-	(8,291)	35,253	26,962	(28,803)	
Asset additions - note 10	-	19,452	(19,452)	-	-	
FUND BALANCE						
- end of the year	\$ 25,042	\$ 25,515	\$ 59,671	\$ 110,228	\$ 83,266	

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF GENERAL OPERATIONS

FOR THE YEAR ENDED MARCH 31,	2021	2020
REVENUE		
Bingo	\$ 4,072	\$ 37,280
Donations	645	1,166
Fees for service	9,970	16,103
Fundraising	3,284	3,662
Grants - note 6	235,694	181,865
Investment income	-	976
Other income	4,645	1,867
Store sales	43,009	214,008
	301,319	456,927
EXPENSES		
Bad debts	300	1,200
Bank charges	1,739	4,078
Co-worker expenses	(2)	189
Fundraising expenses	-	1,167
Grant expenses	144	9,996
Insurance	4,771	4,566
Marketing	114	3,852
Office equipment leases	4,820	8,200
Office supplies	4,484	8,368
Photocopier expense	7,536	24,845
Professional fees	9,063	18,362
Rent	24,800	36,300
Repairs and maintenance	4,237	4,087
Salaries and benefits	181,995	261,464
Supplies	20,463	93,358
Telephone	1,602	1,681
	266,066	481,713
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	\$ 35,253	\$ (24,786)

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF FIXED ASSET FUND

FOR THE YEAR ENDED MARCH 31,	2021	2020
EXPENSES		
Amortization	\$ 5,932	\$ 4,017
OTHER (EXPENSES)		
(Loss) on disposal of fixed assets	(2,359)	-
(DEFICIT) OF REVENUE OVER EXPENSES	\$ (8,291)	\$ (4,017)

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31,	2021	2020
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Excess (deficit) of revenue over expenses	\$ 26,962	\$ (28,803)
Charges to income not requiring cash payments		
Amortization	5,932	4,017
Loss on disposal of fixed assets	2,359	-
Net changes in non-cash working capital		
Accounts receivable (general and restricted)	25,059	(18,638)
Inventory	(163)	486
Prepaid expenses	43	1,463
Accounts payable and accrued liabilities	28,392	(15,781)
Deferred revenue	51,976	(36,213)
	140,560	(93,469)
INVESTING ACTIVITIES		
(Purchase) of fixed assets	(19,452)	-
(Purchase) of investments - net of redemptions	-	131,992
	(19,452)	131,992
NET INCREASE IN CASH	121,108	38,523
CASH - beginning	65,215	26,692
CASH	\$ 186,323	\$ 65,215
COMPRISED OF:		
Cash - general	\$ 140,886	\$ 33,292
- restricted	25,042	25,042
- bingo (restricted)	20,395	6,881
	\$ 186,323	\$ 65,215

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

PURPOSE OF THE ORGANIZATION

Options Mississauga Print and Office Services (the "Organization") was incorporated as a corporation without share capital on June 22, 1993, under the Canada Corporations Act. It is a registered charitable organization under the Income Tax Act and is exempt from income taxes. The Organization's registered charitable number is 138420567RR0001.

The purpose of the Organization is to assist with the development and delivery of programs which will enhance the employment skills of intellectually disabled individuals. The Organization operates a printing, promotional items and office services retail store in the Port Credit area of Mississauga to help achieve this goal.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which is in accordance with Canadian generally accepted accounting principles.

b) Fund accounting

The Organization follows the fund method of accounting, as described below:

The general fund accounts for the Organization's unrestricted resources and operating grants.

The capital replacement fund was established to account for the Organization's externally restricted resources and operating grants as required by an outside funding agency.

The fixed asset fund reports the assets and expenses related to the Organization's fixed assets.

c) Cash

The Organization's policy is to disclose bank balances under cash (general and restricted).

d) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Cost consists of laid-down material costs. Laid-down costs include the cost of purchase and other costs directly attributable to the acquisition of inventory items. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

e) Fixed assets

Fixed assets are recorded at cost. Amortization is calculated based on the estimated useful life of the assets as follows:

Computer equipment	- 30% declining balance
Furniture and fixtures	- 20% declining balance
Leasehold improvements	- 5 year straight-line
Office equipment	- 20% declining balance
Photocopier	- 20% declining balance

In the year of acquisition of an asset, the above rate is reduced by 50%.

f) Contributed goods and services

Contributed goods are recorded when received at their fair value if the fair value is readily determinable and the goods would have been otherwise purchased by the Organization. If either of the above conditions are not met, contributed goods are recorded when received at a nominal value.

The Board of Directors and others contribute volunteer services to the Organization in carrying out its operating activities. Because of the difficulty in determining fair value of these contributed services, they are not recognized in the financial statements.

g) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted donations and fundraising income are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions and revenue related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Externally restricted grant contributions and revenue related to the purchase of fixed assets are deferred and recognized on the same basis as the underlying fixed assets are amortized.

Store sales are recognized when title passes to the customer, which is generally at the point of sale. Fees for service revenue are recognized when the services are provided.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

g) Revenue recognition - continued

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

All other income is recognized when received.

h) Financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash (general and restricted) and accounts receivable (general).

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization recognizes transaction costs in excess (deficit) of revenue over expenses in the period incurred except for financial instruments that will not be measured subsequently at fair value. The carrying amount of these instruments are adjusted by the transaction costs that are directly attributable to the instrument.

i) Use of estimates

The preparation of the Organization's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in operations in the period in which they become known. Actual results in the future may differ from those estimates made. The significant estimate in the Organization's financial statements relates to the estimated useful life of fixed assets subject to amortization.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

2. ACCOUNTS RECEIVABLE

	2021	2020
Accounts receivable	\$ 3,364	\$ 46,655
Grants and subsidies receivable	19,837	-
	\$ 23,201	\$ 46,655

3. FIXED ASSETS

	Cost	Accumulated Amortization	2021	2020
Computer equipment	\$ 33,179	\$ 23,657	\$ 9,522	\$ -
Furniture and fixtures	17,921	17,921	-	-
Leasehold improvements	17,135	8,568	8,567	11,994
Office equipment	13,786	13,786	-	-
Photocopier	78,145	70,719	7,426	2,360
	\$ 160,166	\$ 134,651	\$ 25,515	\$ 14,354

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payables and accrued liabilities	\$ 37,705	\$ 13,987
Government remittances payable	5,712	1,038
	\$ 43,417	\$ 15,025

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

5. DEFERRED REVENUE

	2021	2020
Bingo revenue	\$ 20,395	\$ 8,486
Regional Municipality of Peel - Community Investment Program Grant	19,403	-
Regional Municipality of Peel - Core Grant - note 5(d)	36,975	19,853
The Community Foundation of Mississauga - Emergency Community Support Fund Grant	10,984	-
Insurance proceeds for photocopiers	-	2,359
Ministry of Community and Social Services Operating Grant - April, 2020 instalment received in March	-	5,083
	\$ 87,757	\$ 35,781

A flood at the Organization's office destroyed multiple photocopiers in a prior year and was covered by insurance. The Organization received a payment of \$55,570 in the 2014 fiscal year from the insurance company to replace the damaged photocopiers and the entire amount was used to purchase new photocopiers. As the insurance proceeds received are externally restricted revenue related to the purchase of photocopiers, the entire amount has been deferred and recognized on the same basis as the photocopiers are amortized. In the current year, \$2,359 (2020 - \$590) was recognized as revenue and is included in other income in the statement of general operations.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

6. GRANTS

	2021	2020
Government of Canada - Canada Emergency Rent Subsidy - a) \$	7,700	\$ -
Government of Canada - Canada Emergency Wage Subsidy - b)	103,425	-
Government of Canada - Summer Employment Program Grant - c)	12,074	16,144
Ministry of Community and Social Services - Operating Grant - d)	60,996	60,996
Regional Municipality of Peel - Community Investment Program Grant - e)	825	-
Regional Municipality of Peel - Core Grant - f)	41,657	18,732
The Community Foundation of Mississauga - Emergency Community Support Fund Grant - g)	9,016	-
Groupe Convex Developmental Services Grant	-	16,000
Regional Municipality of Peel - Organizational Effectiveness Grant	-	11,450
Regional Municipality of Peel - Sustainability Grant	-	48,559
The Community Foundation of Mississauga - Operating Grant	-	9,984
	\$ 235,693	\$ 181,865

All grants received from the funding agencies may only be spent for the items and activities described in the grants agreement. The funding agencies reserve the right to require the return of grant funds should the Organization not comply with the agreement. Any unspent grant funds must be returned to the funding agencies.

a) Government of Canada - Canada Emergency Rent Subsidy

During the year, the Organization received government assistance from the Government of Canada in the amount of \$7,700 for assistance in paying rent. In the current year, \$7,700 was recognized as revenue as the entire amount of the funds received was spent.

b) Government of Canada - Canada Emergency Wage Subsidy

During the year, the Organization received government assistance from the Government of Canada in the amount of \$103,425 for assistance in paying wages. In the current year, \$103,425 was recognized as revenue as the entire amount of the funds received was spent.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

6. GRANTS

c) Government of Canada - Summer Employment Program Grant

A grant from the Government of Canada was received by the Organization during the year in the amount of \$12,074 (2020 - \$16,144) for assistance in summer student employment. In the current year, \$12,074 (2020 - \$16,144) was recognized as revenue as the entire amount of the grant funds received was spent.

d) Ministry of Community and Social Services - Operating Grant

A grant was provided by the Ontario Ministry of Community and Social Service ("MCSS") in the amount of \$60,996 (2020 - \$60,996) for aid in the Organization's operations. In the current year, \$60,996 (2020 - \$60,996) was recognized as revenue as the entire amount of the grant funds received was spent.

e) Regional Municipality of Peel - Community Investment Program Grant

During the year, the Organization received a grant from the Regional Municipality of Peel in the amount of \$20,228 to assist with core operating and small capital expenses and to assist with planning and implementation of new programs. In the current year, \$8,228 was used to purchase fixed assets and \$825 was recognized as revenue, which consists of amortization on these fixed assets. The remaining \$19,403 of the grant has been deferred to future years.

f) Regional Municipality of Peel - Core Grant

During the year, a grant from the Regional Municipality of Peel was received by the Organization in the amount of \$58,779 (2020 - \$38,585) to improve the Organization's program and service delivery. In the current year, \$41,657 (2020 - \$18,732) was recognized as revenue while the remaining \$36,975 (2020 - \$19,853) of the grant has been deferred to future years.

g) The Community Foundation of Mississauga - Operating Grant

During the year, the Organization received a grant of \$20,000 from the Community Foundation of Mississauga to support non-profit organizations working with vulnerable populations impacted by COVID-19. In the current year, \$7,016 was used to purchase fixed assets and \$9,016 was recognized as revenue, which consists of amortization of \$1,680 on these fixed assets and \$7,336 of other expenses. The remaining \$10,984 of the grant has been deferred to future years.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

7. FINANCIAL INSTRUMENTS

The significant financial risk to which the Organization is exposed is credit risk.

Credit risk refers to the risk that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly by changes in economic conditions.

The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. The Organization does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what the Board of Directors believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. The maximum exposure to credit risk is the carrying value of accounts receivable.

There have been no changes to this risk from the prior year.

8. MAJOR COMMITMENTS

The Organization is currently renting a premise and has a month-to-month lease that amounts to \$1,900 per month.

In addition, subsequent to year end, the Organization has entered into an agreement to rent additional space at a local church. The term of this agreement is from July 13, 2021 to June 25, 2022 and contains a three month cancellation clause. Monthly rent under this agreement is \$1,000 for the first two months and \$915 for the remainder of the agreement.

9. ECONOMIC DEPENDENCE

The Organization is economically dependent on the Government of Canada, Ministry of Community and Social Services, and the Regional Municipality of Peel for funding its operations. These organizations make up 41%, 20% and 14% (2020 - 4%, 13% and 17%) respectively of total revenue during the year.

10. TRANSFER BETWEEN FUNDS

During the year, the Organization transferred \$19,452 (2020 - nil) from the General Fund to the Fixed Asset Fund for the purchase of fixed assets.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

11. UNCERTAINTY DUE TO THE COVID-19 VIRUS

The COVID-19 Virus has spread worldwide during the calendar years 2020 and 2021. This pandemic has caused city or country lock downs, organization shut downs (both mandatory and voluntarily) and social distancing. It is unclear what implications these closures may have, whether this organization chooses to close or what impact government subsidies may have in helping this organization and the economy recover.