



**CAPSTICK  
McCOLLUM**  
& ASSOCIATES

## 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, 2022, 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, 2022, 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, 2022 and 2021, current assets as at March 31, 2022 and 2021, and net assets as at April 1 and March 31 for both the 2022 and 2021 years. The audit opinion on the financial statements for the year ended March 31, 2021 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.



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**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.



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**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*

Chartered Professional Accountants  
Licensed Public Accountant

Oakville, Ontario  
December 7, 2022

**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES  
STATEMENT OF FINANCIAL POSITION**

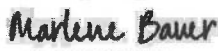
MARCH 31,	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash - general	\$ 71,178	\$ 140,886
- restricted	25,042	25,042
- bingo - restricted	32,770	20,395
Accounts receivable - general - note 2	21,946	23,201
Inventory	3,158	2,821
Prepaid expenses	6,469	3,542
	<b>160,563</b>	<b>215,887</b>
<b>FIXED ASSETS - note 3</b>	<b>46,636</b>	<b>25,515</b>
	<b>207,199</b>	<b>241,402</b>

<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities - note 4	21,811	43,417
Deferred revenue - note 5	72,161	87,757
	<b>93,972</b>	<b>131,174</b>
<b>NET ASSETS</b>	<b>\$ 113,227</b>	<b>\$ 110,228</b>

**NET ASSETS ABOVE REPRESENTED BY**

<b>CAPITAL REPLACEMENT FUND</b>	\$ 25,042	\$ 25,042
<b>FIXED ASSET FUND</b>	46,636	25,515
<b>GENERAL FUND</b>	41,549	59,671
	<b>\$ 113,227</b>	<b>\$ 110,228</b>

Approved on behalf of the Board:

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 Board Member

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 Board Member

Subject to accompanying notes to financial statements

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

<b>FOR THE YEAR ENDED MARCH 31,</b>		<b>2022</b>		<b>2021</b>	
	<u>Restricted</u>		<u>Unrestricted</u>		
	Capital Replacement Fund	Fixed Asset Fund	General Fund	Total	Total
<b>FUND BALANCE</b>					
- beginning of year	\$ 25,042	\$ 25,515	\$ 59,671	\$ 110,228	\$ 83,266
(Deficit) excess of revenue over expenses	-	(10,979)	13,978	2,999	26,962
Asset additions - note 10	-	32,100	(32,100)	-	-
<b>FUND BALANCE</b>					
- end of the year	\$ 25,042	\$ 46,636	\$ 41,549	\$ 113,227	\$ 110,228

Subject to accompanying notes to financial statements

**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**STATEMENT OF GENERAL OPERATIONS**

<b>FOR THE YEAR ENDED MARCH 31,</b>	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>		
Bingo	\$ 14,860	\$ 4,072
Donations	5,200	645
Fees for service	28,434	9,970
Fundraising	5,785	3,284
Grants - note 6	246,512	235,694
Other income	4,169	4,645
Store sales	77,553	43,009
	<b>382,513</b>	<b>301,319</b>
<b>EXPENSES</b>		
Bad debts	100	300
Bank charges	2,408	1,739
Co-worker expenses	262	(2)
Grant expenses	9,525	144
Insurance	5,144	4,771
Marketing	336	114
Office equipment leases	935	4,820
Office supplies	2,529	4,484
Photocopier expense	12,909	7,536
Professional fees	9,600	9,063
Rent	33,565	24,800
Repairs and maintenance	9,050	4,237
Salaries and benefits	254,104	181,995
Supplies	26,300	20,463
Telephone	1,768	1,602
	<b>368,535</b>	<b>266,066</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 13,978</b>	<b>\$ 35,253</b>

Subject to accompanying notes to financial statements

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**STATEMENT OF FIXED ASSET FUND**

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<b>FOR THE YEAR ENDED MARCH 31,</b>	<b>2022</b>	<b>2021</b>
<b>EXPENSES</b>		
Amortization	\$ 10,979	\$ 5,932
<b>OTHER (EXPENSES)</b>		
(Loss) on disposal of fixed assets	-	(2,359)
<b>(DEFICIT) OF REVENUE OVER EXPENSES</b>	<b>\$ (10,979)</b>	<b>\$ (8,291)</b>

Subject to accompanying notes to financial statements

**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31,	2022	2021
<b>CASH PROVIDED FROM (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses - all funds	\$ 2,999	\$ 26,962
Charges to income not requiring cash payments		
Amortization	10,979	5,932
Loss on disposal of fixed assets	-	2,359
Net changes in non-cash working capital		
Accounts receivable (general and restricted)	1,255	25,059
Inventory	(337)	(163)
Prepaid expenses	(2,927)	43
Accounts payable and accrued liabilities	(21,606)	28,392
Deferred revenue	(15,596)	51,976
	<b>(25,233)</b>	<b>140,560</b>
<b>INVESTING ACTIVITIES</b>		
(Purchase) of fixed assets	(32,100)	(19,452)
<b>NET (DECREASE) INCREASE IN CASH</b>	<b>(57,333)</b>	<b>121,108</b>
<b>CASH - beginning</b>	<b>186,323</b>	<b>65,215</b>
<b>CASH</b>	<b>\$ 128,990</b>	<b>\$ 186,323</b>
<b>COMPRISED OF:</b>		
Cash - general	\$ 71,178	\$ 140,886
- restricted	25,042	25,042
- bingo (restricted)	32,770	20,395
	<b>\$ 128,990</b>	<b>\$ 186,323</b>

Subject to accompanying notes to financial statements

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**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.

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**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.

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**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, 2022**

**2. ACCOUNTS RECEIVABLE**

	2022	2021
Accounts receivable	\$ 8,374	\$ 3,364
Grants and subsidies receivable	9,469	19,837
HST recoverable	4,103	-
	<b>\$ 21,946</b>	<b>\$ 23,201</b>

**3. FIXED ASSETS**

	Cost	Accumulated Amortization	2022	2021
Computer equipment	\$ 33,179	\$ 26,514	\$ 6,665	\$ 9,522
Furniture and fixtures	17,921	17,921	-	-
Leasehold improvements	17,135	11,995	5,140	8,567
Office equipment	45,886	16,996	28,890	-
Photocopier	78,145	72,204	5,941	7,426
	<b>\$ 192,266</b>	<b>\$ 145,630</b>	<b>\$ 46,636</b>	<b>\$ 25,515</b>

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2022	2021
Accounts payables and accrued liabilities	\$ 21,696	\$ 37,705
Government remittances payable	115	5,712
	<b>\$ 21,811</b>	<b>\$ 43,417</b>

**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**5. DEFERRED REVENUE**

	2022	2021
Bingo revenue	\$ 38,457	\$ 20,395
Regional Municipality of Peel - Community Investment Program Grant	5,940	19,403
Regional Municipality of Peel - Core Grant	6,356	36,975
The Community Foundation of Mississauga - Emergency Community Support Fund Grant	7,908	10,984
The Community Foundation of Mississauga - The Pendle Fund Grant	13,500	-
	<b>\$ 72,161</b>	<b>\$ 87,757</b>

**6. GRANTS**

	2022	2021
Government of Canada - Canada Emergency Rent Subsidy - a)	\$ 6,878	\$ 7,700
Government of Canada - Canada Emergency Wage Subsidy - b)	58,069	103,425
Government of Canada - Summer Employment Program Grant - c)	9,469	12,074
Ministry of Community and Social Services - Operating Grant - d)	60,996	60,996
Regional Municipality of Peel - Community Investment Program Grant - e)	13,463	825
Regional Municipality of Peel - Core Grant - f)	93,061	41,657
The Community Foundation of Mississauga - Emergency Community Support Fund Grant - g)	3,076	9,016
The Community Foundation of Mississauga - Pendle Fund Grant - h)	1,500	-
	<b>\$ 246,512</b>	<b>\$ 235,693</b>

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.

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**6. GRANTS - continued**

**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 \$6,878 (2021 - \$7,700) for assistance in paying rent. In the current year, \$6,878 (2021 - \$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 \$58,069 (2021 - \$103,425) for assistance in paying wages. In the current year, \$58,069 (2021 - \$103,425) was recognized as revenue as the entire amount of the funds received was spent.

**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 \$9,469 (2021 - \$12,074) for assistance in summer student employment. In the current year, \$9,469 (2021 - \$12,074) 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 (2021 - \$60,996) for aid in the Organization's operations. In the current year, \$60,996 (2021 - \$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 2021 fiscal 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, nil (2021 - \$8,228) was used to purchase fixed assets and \$13,463 (2021 - \$825) was recognized as revenue, which consists of amortization on fixed assets and employment expenses. The remaining \$5,940 of the grant has been deferred to future years.

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**6. GRANTS - continued**

**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 \$62,443 (2021 - \$58,779) to improve the Organization's program and service delivery. In the current year, \$93,061 (2021 - \$41,657) was recognized as revenue while the remaining \$6,356 (2021 - \$36,975) of the grant has been deferred to future years.

**g) The Community Foundation of Mississauga - Operating Grant**

During the 2021 fiscal 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, \$1,461 (2021 - \$11,202) was used to purchase fixed assets and \$3,076 (2021 - \$9,016) was recognized as revenue, which consists of amortization of \$3,076 on these fixed assets. The remaining \$7,908 of the grant has been deferred to future years.

**h) The Community Foundation of Mississauga - The Pendle Fund Grant**

During the year, the Organization received a grant of \$15,000 from the Community Foundation of Mississauga to assist with purchase of capital assets. In the current year, \$15,000 was used to purchase fixed assets and \$1,500 was recognized as revenue, which consists of amortization of \$1,500 on these fixed assets. The remaining \$13,500 of the grant has been deferred to future years.

**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.

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**OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**MARCH 31, 2022**

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**8. MAJOR COMMITMENTS**

The Organization is currently renting a premise and has a month-to-month lease that amounts to \$1,995 per month. The Organization also rented additional space at a local church. The term of the rental agreement is from September 7, 2021 to June 25, 2022 and contains a three month cancellation clause. Monthly rent under this agreement is \$915.

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 5, 2022 to June 30, 2023 and contains a three month cancellation clause. Monthly rent under this agreement is \$1,125.

Subsequent to year end, the Organization also entered into an agreement to rent the main floor of a local church. The term of this agreement is from May 1, 2022 to April 30, 2023 and contains a three month cancellation clause. Monthly rent under this agreement is \$1,500.

**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 19%, 16% and 28% (2021 - 41%, 20% and 14%) respectively of total revenue during the year.

**10. TRANSFER BETWEEN FUNDS**

During the year, the Organization transferred \$32,100 (2021 - \$19,452) from the General Fund to the Fixed Asset Fund for the purchase of fixed assets.

**11. UNCERTAINTY DUE TO THE COVID-19 VIRUS**

The COVID-19 Virus has spread worldwide during the calendar years 2020, 2021 and 2022. 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.