
OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
FINANCIAL STATEMENTS
MARCH 31, 2023



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, 2023, 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, 2023, 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, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. The audit opinion on the financial statements for the year ended March 31, 2022 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
January 24, 2024

Chartered Professional Accountants
Licensed Public Accountant

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

MARCH 31,	2023	2022
ASSETS		
CURRENT		
Cash - general	\$ 61,636	\$ 71,178
- restricted	25,042	25,042
- bingo - restricted	65,184	32,770
Accounts receivable - general - note 2	20,285	21,946
Inventory	3,146	3,158
Prepaid expenses	10,559	6,469
	185,852	160,563
FIXED ASSETS - note 3	34,243	46,636
	220,095	207,199

LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities - note 4	42,049	21,811
Deferred revenue - note 5	89,088	72,161
	131,137	93,972
NET ASSETS	\$ 88,958	\$ 113,227

NET ASSETS ABOVE REPRESENTED BY

CAPITAL REPLACEMENT FUND	\$ 25,042	\$ 25,042
FIXED ASSET FUND	34,243	46,636
GENERAL FUND	29,673	41,549
	\$ 88,958	\$ 113,227

Approved on behalf of the Board:


Board Member


Board Member

Subject to accompanying notes to financial statements

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

FOR THE YEAR ENDED MARCH 31, **2023** **2022**

	<u>Restricted</u>		<u>Unrestricted</u>		Total	Total
	Capital Replacement Fund	Fixed Asset Fund	General Fund			
FUND BALANCE						
- beginning of year	\$ 25,042	\$ 46,636	\$ 41,549	\$ 113,227	\$ 110,228	
(Deficit) excess of revenue over expenses	-	(12,393)	(11,876)	(24,269)	2,999	
FUND BALANCE						
- end of the year	\$ 25,042	\$ 34,243	\$ 29,673	\$ 88,958	\$ 113,227	

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF GENERAL OPERATIONS

FOR THE YEAR ENDED MARCH 31,	2023	2022
REVENUE		
Bingo	\$ 53,207	\$ 14,860
Donations	3,909	5,200
Fees for service	31,425	28,434
Fundraising	8,020	5,785
Grants - note 6	206,066	246,512
Other income	6,831	4,169
Store sales	112,422	77,553
	421,880	382,513
EXPENSES		
Bad debts	-	100
Bank charges	2,857	2,408
Co-worker expenses	-	262
Grant expenses	-	9,525
Insurance	5,550	5,144
Marketing	1,602	336
Office equipment leases	1,020	935
Office supplies	4,415	2,529
Photocopier expense	18,012	12,909
Professional fees	7,325	9,600
Rent	54,810	33,565
Repairs and maintenance	8,635	9,050
Salaries and benefits	293,998	254,104
Subcontractor	9,238	-
Supplies	24,857	26,300
Telephone	1,437	1,768
	433,756	368,535
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	\$ (11,876)	\$ 13,978

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF FIXED ASSET FUND

FOR THE YEAR ENDED MARCH 31,	2023	2022
EXPENSES		
Amortization	\$ 12,393	\$ 10,979
(DEFICIT) OF REVENUE OVER EXPENSES	\$ (12,393)	\$ (10,979)

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31,	2023	2022
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Excess (Deficit) of revenue over expenses - all funds	\$ (24,269)	\$ 2,999
Charges to income not requiring cash payments		
Amortization	12,393	10,979
Net changes in non-cash working capital		
Accounts receivable (general and restricted)	1,661	1,255
Inventory	12	(337)
Prepaid expenses	(4,090)	(2,927)
Accounts payable and accrued liabilities	20,238	(21,606)
Deferred revenue	16,927	(15,596)
	22,872	(25,233)
INVESTING ACTIVITIES		
(Purchase) of fixed assets	-	(32,100)
NET (DECREASE) INCREASE IN CASH	22,872	(57,333)
CASH - beginning	128,990	186,323
CASH	\$ 151,862	\$ 128,990
COMPRISED OF:		
Cash - general	\$ 61,636	\$ 71,178
- restricted	25,042	25,042
- bingo (restricted)	65,184	32,770
	\$ 151,862	\$ 128,990

Subject to accompanying notes to financial statements

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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, 2023

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, 2023

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, 2023

2. ACCOUNTS RECEIVABLE

	2023	2022
Accounts receivable	\$ 14,300	\$ 8,374
Grants and subsidies receivable	5,985	9,469
HST recoverable	-	4,103
	\$ 20,285	\$ 21,946

3. FIXED ASSETS

	Cost	Accumulated Amortization	2023	2022
Computer equipment	\$ 33,179	\$ 28,513	\$ 4,666	\$ 6,665
Furniture and fixtures	17,921	17,921	-	-
Leasehold improvements	17,135	15,422	1,713	5,140
Office equipment	45,886	22,774	23,112	28,890
Photocopier	78,145	73,393	4,752	5,941
	\$ 192,266	\$ 158,023	\$ 34,243	\$ 46,636

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Accounts payables and accrued liabilities	\$ 38,475	\$ 21,696
Government remittances payable	115	115
HST payable	3,459	-
	\$ 42,049	\$ 21,811

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

5. DEFERRED REVENUE

	2023	2022
Bingo revenue	\$ 65,026	\$ 38,457
Regional Municipality of Peel - Community Investment Program Grant	4,752	5,940
Regional Municipality of Peel - Core Grant	2,975	6,356
The Community Foundation of Mississauga - Emergency Community Support Fund Grant	5,535	7,908
The Community Foundation of Mississauga The Pendle Fund Grant	10,800	13,500
	\$ 89,088	\$ 72,161

6. GRANTS

	2023	2022
Government of Canada - Canada Emergency Rent Subsidy	\$ -	\$ 6,878
Government of Canada - Canada Emergency Wage Subsidy	-	58,069
Government of Canada - Summer Employment Program Grant	-	9,469
Ministry of Community and Social Services - Operating Grant - a)	100,996	60,996
Regional Municipality of Peel - Community Investment Program Grant - b)	1,188	13,463
Regional Municipality of Peel - Core Grant - c)	98,810	93,061
The Community Foundation of Mississauga - Emergency Community Support Fund Grant - d)	2,372	3,076
The Community Foundation of Mississauga - Pendle Fund Grant - e)	2,700	1,500
	\$ 206,066	\$ 246,512

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.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

6. GRANTS - continued

a) 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 \$100,996 (2022 - \$60,996) for aid in the Organization's operations. In the current year, \$100,996 (2022 - \$60,996) was recognized as revenue as the entire amount of the grant funds received was spent.

b) 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 (2022 - nil) was used to purchase fixed assets and \$1,188 (2022 - \$13,463) was recognized as revenue, which consists of amortization on fixed assets and employment expenses. The remaining \$4,752 of the grant has been deferred to future years.

c) 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 \$95,428 (2022 - \$62,443) to improve the Organization's program and service delivery. In the current year, \$98,810 (2022 - \$93,061) was recognized as revenue while the remaining \$2,975 (2022 - \$6,356) of the grant has been deferred to future years.

d) 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, nil (2022 - \$1,461) was used to purchase fixed assets and \$2,372 (2022 - \$1,576) was recognized as revenue, which consists of amortization of \$2,372 on these fixed assets. The remaining \$5,535 of the grant has been deferred to future years.

e) The Community Foundation of Mississauga - The Pendle Fund Grant

During the 2022 fiscal 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, nil (2022 - \$15,000) was used to purchase fixed assets and \$2,700 (2022 - \$1,500) was recognized as revenue, which consists of amortization of \$2,700 on these fixed assets. The remaining \$10,800 of the grant has been deferred to future years.

OPTIONS MISSISSAUGA PRINT AND OFFICE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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 \$1,995 per month. The Organization also rented additional space at a local church. The term of the rental 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 rental agreement was renewed and the new term is from July 4, 2023 to June 28, 2024. The new agreement contains a three month cancellation clause and the monthly rent under this agreement is \$890.

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. Subsequent to year end, the rental agreement was renewed and the new term is from May 1, 2023 to April 30, 2024. The new agreement contains a three month cancellation clause and the monthly rent under this agreement is \$1,575.

9. ECONOMIC DEPENDENCE

The Organization is economically dependent on the Ministry of Community and Social Services and the Regional Municipality of Peel for funding its operations. These organizations make up 24% and 24% (2022 - 16% and 28%) respectively of total revenue during the year.