



The Mississauga Heritage Foundation Incorporated

Financial Statements

December 31, 2022

The Mississauga Heritage Foundation Incorporated

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Fareed Sheik & Co
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Independent Auditor's Report

To the Members
The Mississauga Heritage Foundation Incorporated

Qualified Opinion

We have audited the financial statements of The Mississauga Heritage Foundation Incorporated (the "organization"), which comprise the statement of financial position as at December 31, 2022 and the Statement of Revenues and Expenditures, Statement of Changes in Net Assets and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of The Mississauga Heritage Foundation Incorporated as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with with Accounting Standards for Not-for-profit Organizations (ASNPO).

Basis for Opinion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2022 and December 31, 2021, current assets and net assets as at December 31, 2022 and December 31, 2021.

We conducted our audit in accordance with Canadian generally accepted accounting standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization 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 these financial statements in accordance with the applicable financial reporting framework, 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 these financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 to do so. Those charged with governance are responsible for overseeing the organization's financial reporting process.



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Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 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 organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Fareed Sheik & Co

Fareed Sheik & Co, Chartered Professional Accountants
Licensed Public Accountants



Mississauga
May 30, 2023

The Mississauga Heritage Foundation Incorporated

Statement of Financial Position

December 31, 2022

	Note	2022	General Fund	Restricted Board	Restricted Discovery	2021
Assets						
Current Assets						
Cash		\$ 106,924	\$ 106,924	\$ -	\$ -	\$ 150,858
Investments		38,722	-	38,722	-	38,194
Accounts Receivable		7,985	7,985	-	-	3,260
Sales Tax Receivable		19,250	19,250	-	-	6,880
Prepaid Expenses	8.	17,569	17,569	-	-	14,827
Inventory		-	-	-	-	44
Total Current Assets		190,450	151,728	38,722	-	214,063
Long Term Assets						
Long Term Investments	3.	103,044	-	-	103,044	104,675
Capital assets	4.	-	-	-	-	9,536
Permanent Collection	5.	1	-	-	1	1
Total Assets		293,495	151,728	38,722	103,045	328,275
Current Liabilities						
Accounts Payable		24,643	24,643	-	-	18,817
Deferred Revenue	6.	78,505	78,505	-	-	108,968
Total Current Liabilities		103,148	103,148	-	-	127,785
Net Assets		190,347	48,580	38,722	103,045	200,490
Total Liabilities and Net Assets		\$ 293,495	\$ 151,728	\$ 38,722	\$ 103,045	\$ 328,275

Joseph Hamann, President

Approved on behalf of the Board

The accompanying notes are an integral part of these financial statements.

The Mississauga Heritage Foundation Incorporated

Statement of Revenues and Expenditures

For the Year Ended December 31, 2022

	2022	General Fund	Restricted Board	Restricted Discovery	2021
Revenue					
Grants - City of Mississauga	\$ 282,321	\$ 282,321	\$ -	\$ -	\$ 349,833
Grants - Ontario Trillium Foundation	110,346	110,346	-	-	45,260
Grants - Federal Canada Summer Jobs	23,502	23,502	-	-	33,188
Grants - Community Foundation	17,769	17,769	-	-	5,004
Grants - Mississauga of the Credit First Nation	-	-	-	-	563
Total Grants	433,938	433,938	-	-	433,848
Awards Night	46,335	46,335	-	-	-
Bingo Income	32,374	32,374	-	-	12,562
Barter Donations	22,316	22,316	-	-	10,690
Carassauga Canada Pavilion	9,984	9,984	-	-	200
Donations	6,671	6,671	-	-	2,630
Fundraising	4,402	4,402	-	-	250
Membership	1,725	1,725	-	-	1,137
Interest	1,248	-	528	720	1,304
Other Income	1,080	1,080	-	-	-
Education	400	400	-	-	1,515
Gift Shop	177	177	-	-	166
Sponsorship - Legends Row	-	-	-	-	200
Total Revenue	560,650	559,402	528	720	464,502
Operating expenses					
Salaries and Benefits	321,126	321,126	-	-	300,293
Less: CEWS wage subsidy	-	-	-	-	(52,399)
Salaries and Benefits (net of CEWS wage subsidy)	321,126	321,126	-	-	247,894
Trillium expenses	49,726	49,726	-	-	10,385
Bingo Expenses	32,374	32,374	-	-	12,562
Awards Night	27,713	27,713	-	-	5,581
Other expenses – barter	22,316	22,316	-	-	10,690
Office supplies	20,937	20,937	-	-	26,194
Education	15,898	15,898	-	-	45,326
Occupancy costs	14,270	14,270	-	-	12,324

The accompanying notes are an integral part of these financial statements.

The Mississauga Heritage Foundation Incorporated

Statement of Revenues and Expenditures

For the Year Ended December 31, 2022

	2022	General Fund	Restricted Board	Restricted Discovery	2021
Awareness	12,950	12,950	-	-	7,631
Community Foundation	10,933	10,933	-	-	2,942
Amortization	9,536	9,536	-	-	5,721
Legends Row	8,442	8,442	-	-	36,499
Conservation	6,712	6,712	-	-	10,033
Insurance	4,412	4,412	-	-	6,232
Telephone	3,577	3,577	-	-	3,031
Audit and Legal	3,484	3,484	-	-	3,582
Interest and bank charges	1,923	1,923	-	-	1,716
Fundraising	1,311	1,311	-	-	461
Membership	524	524	-	-	-
Travel	233	233	-	-	113
Purchases for resale	45	45	-	-	125
Total Operating expenses	568,442	568,442	-	-	449,042
Excess / (deficiency) of revenue over expenditure from operations	(7,792)	(9,040)	528	720	15,460
Unrealized (loss) gain on investment	(2,351)	-	-	(2,351)	6,722
Excess / (deficiency) of revenue over expenditure	\$ (10,143)	\$ (9,040)	\$ 528	\$ (1,631)	\$ 22,182

The accompanying notes are an integral part of these financial statements.

The Mississauga Heritage Foundation Incorporated

Statement of Changes in Net Assets

For the Year Ended December 31, 2022

	2022	General Fund	Restricted Board	Restricted Discovery	2021
Net assets - beginning of year	\$ 200,490	\$ 57,620	\$ 38,194	\$ 104,676	\$ 178,308
Excess / (deficiency) of revenue over expenditure	(10,143)	(9,040)	528	(1,631)	22,182
Net assets - end of year	\$ 190,347	\$ 48,580	\$ 38,722	\$ 103,045	\$ 200,490

The accompanying notes are an integral part of these financial statements.

The Mississauga Heritage Foundation Incorporated

Statement of Cash Flows

For the Year Ended December 31, 2022

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	\$ (10,143)	\$ 22,182
Amortization	9,536	5,721
Decrease (increase) in receivables	(4,725)	31,686
Decrease (increase) in sales tax receivables	(12,370)	(1,030)
Decrease (increase) in inventories	44	(44)
Increase (decrease) in accounts payable and accrued expenses	5,826	1,060
Increase (decrease) in deferred revenue and customer advances and deposits	(30,463)	(59,671)
Decrease (increase) in prepaid expense and other assets	(2,742)	(11,072)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	(45,037)	(11,168)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments to acquire property, plant, and equipment	-	(15,257)
Changes in long term investments	1,631	(2,238)
NET CASH USED BY INVESTING ACTIVITIES	1,631	(17,495)
CASH FLOWS FROM FINANCING ACTIVITIES:		
OTHER ACTIVITIES:		
Net cash increase (decreases) in cash and cash equivalents	(43,406)	(28,663)
Cash and cash equivalents at beginning of the year	189,052	217,715
Cash and cash equivalents at end of the year	\$ 145,646	\$ 189,052
Cash and cash equivalents consist of the following:		
Cash	\$ 106,924	\$ 150,858
Short term investments	38,722	38,194
	\$ 145,646	\$ 189,052

The accompanying notes are an integral part of these financial statements.

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

1. Purpose of the organization

The Mississauga Heritage Foundation Incorporated (the "organization") is a not-for-profit organization incorporated by Letters Patent under the laws of the Province of Ontario. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. The organization was established to identify, research, promote and encourage awareness of the diverse heritage relating to the City of Mississauga.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

b. Capital asset

Capital asset is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rate and method:

Web site: 5 years straight-line method

The Organization regularly reviews its capital asset to eliminate obsolete items.

Capital asset acquired during the year but not placed into use are not amortized until they are placed into use.

c. Fund accounting

The Mississauga Heritage Foundation Incorporated follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenditures related to the organization's capital asset.

The Restricted Board Fund reports assets, liabilities, revenues and expenditures related to the organization's special projects as restricted by the Board.

The Restricted Discovery Fund reports assets, liabilities, revenues and expenditures related to the organization's Discovery centre.

d. Revenue recognition

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

2. Significant Accounting Policies

d. Revenue recognition

The Mississauga Heritage Foundation Incorporated follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

e. Donated services and materials

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements. The Foundation receives contributed materials, including barter dollars, the fair value of which are recognized as donations when fair value can be determined.

f. Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

g. Permanent collection

The Permanent Collection comprises contributed works and valuable papers. The collection is reported at a nominal value on the statement of financial position. Expenditures related to works of art, such as acquisition costs, appraisal fees, shipping costs, storage fees, etc., are recognized when the deed of gift is signed, and the appraisal completed in the year incurred.

h. Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

3. Long-term investments

Long-term investment principal of \$100,000 is guaranteed if the investment is held to maturity, July 28, 2023. The market value of this investment if cashed at December 31, 2022 was \$103,044 (2021 - \$104,675). It is the intention of the Board to hold the investment to maturity. Losses on this investment are recorded in the general fund as payable back to the discovery fund.

4. Capital assets

Property, plant and equipment consist of the following:

			2022		2021	
	Cost		Accumulated Depreciation	Net Book Value	Net Book Value	
Laptops	\$ 15,257	\$ (15,257)	\$ -	\$ 9,536		

Other assets consist of the following:

			2022		2021	
	Cost		Accumulated amortization	Net Book Value	Net Book Value	
Website	\$ 26,297	\$ (26,297)	\$ -	\$ -		

5. Permanent collection

			2022		2021	
Insured value	\$ 309,295	\$ 309,295				

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

6. Deferred revenue

	Deferred amount, beginning of year	Amount received	Recognized as revenue	Deferred amount, end of year
City of Mississauga	\$ 20,059	\$ 290,000	\$ 282,321	\$ 27,738
Community Foundation	15,769	4,500	17,769	2,500
Meadowvale Village project	1,379	-	-	1,379
Mississaugas of the Credit First Nation	343	-	-	343
National Trust Donation	1,000	-	-	1,000
Ontario Trillium Foundation	48,840	71,900	110,346	10,394
Thompson's Company Services	1,965	1,820	2,045	1,740
Interpretive panels	-	890	-	890
Bingo	19,613	45,282	32,374	32,521
Total	\$ 108,968	\$ 414,392	\$ 444,855	\$ 78,505

From time to time, the Foundation receives funds restricted for a specific use into the general fund. In accordance with the restricted fund accounting principles adopted, any such funds not spent at year end are classified as deferred revenue and brought into income during the year when the related expenditures are made.

During the year ended December 31, 2021, the organization acquired computer equipment amounting to \$15,257 out of Trillium grant monies received during the year thus ended. An amount of \$15,257 was recognized as deferred grant. The deferred grant would be recognized as revenue in proportion to the amortization charged on computer equipment at 2 years straight line basis. In the statement of revenue and expenditure for the year ended December 31, 2021, an amount of \$5,721 has been recognized as grant revenue and an equal amount of amortization has been recorded. During the year ended December 31, 2022, remaining net book value of laptops amounting to \$9,536 was fully amortized.

During the year ended December 31, 2021 and 2022, the organization paid \$16,269 as deposit for website development. This amount was financed from Trillium grant monies and unrestricted funds received during the years thus ended. The entire amount of \$16,269 has been reflected as prepaid assets and deferred grant as at December 31, 2022 in the statement of financial position

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

7. Barter account

	2022	2021
Balance, beginning of the year	\$ -	\$ -
Allowance reversal	91,743	76,124
Amounts received	8,000	26,309
Amounts spent	(22,316)	(10,690)
Subtotal	77,427	91,743
Allowance	(77,427)	(91,743)
Balance, end of the year	\$ -	\$ -

From time to time, the Foundation receives donations of barter dollars into the general fund. These donations are recorded at fair value and are being recognized as revenue when spent. The ending balance is fully allowed for given uncertainties surrounding its valuation at year end.

8. Prepaid expenses

	2022	2021
Website development cost	\$ 16,269	\$ 11,072
Insurance	1,300	-
Deposits	-	3,755
Total	\$ 17,569	\$ 14,827

9. Lease commitments

The organization moved its premises from Mississauga City Hall to the Robinson-Adamson Grange, a historical home owned by the City of Mississauga, during 2004. These premises are provided by the City of Mississauga under a management and operation agreement for a term of five years which ended November 30, 2019, for an annual fee of \$2.00. The Foundation is responsible for specific maintenance and operating costs of these premises. The City renewed the lease for another five years starting December 1, 2019 and ending December 30, 2024.

The Mississauga Heritage Foundation Incorporated

Notes to the Financial Statements

For the Year Ended December 31, 2022

10. Financial instruments

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of December 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. Management has assessed the risk as low. The organization has a number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management has assessed liquidity risk as low given the make up of its accounts payable and has provided sufficient funding to fulfil its obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization is mainly exposed to long term investment risk that is subjected to fluctuations in market prices. Management has assessed market risk as low.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risk, currency risk, or interest rate risk arising from these financial instruments.

11. Wage subsidy

In response to the COVID-19 coronavirus pandemic, in March 2020 the government of Canada introduced the Canadian Emergency Wage Subsidy program for companies and organizations which experienced reductions in revenue. The organization's application for the program was approved and it was entitled to the wage subsidy. During the year ended December 31, 2022, the Company claimed a wage subsidy of \$ nil (2021: \$52,399) of which \$ nil (2021: \$(3,011)) was collected during the year end. Wage subsidy granted amounting to \$ nil (2021: \$52,399) is shown as a reduction from Salaries and Benefits in the statement of revenue and expenditure for the year ended December 31, 2022. Outstanding subsidy amounting to \$ nil (2021: \$3,011) is included in Accounts Receivable in the statement of financial position as at December 31, 2022.
