



**THE MISSISSAUGA HERITAGE
FOUNDATION INCORPORATED**

FINANCIAL STATEMENTS

December 31, 2023

The Mississauga Heritage Foundation Incorporated

Financial statements

December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
The Mississauga Heritage Foundation Incorporated**

Qualified Opinion

I have audited the financial statements of The Mississauga Heritage Foundation Incorporated (the Organization), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the financial statements).

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

Basis for Qualified 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, I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue and other income over expenses and cash flows from operations for the year ended December 31, 2023, current assets as at December 31, 2023 and net assets as at January 1 and December 31, 2023. My audit opinion for the year ended December 31, 2023 was modified because of the possible effects of this limitation in scope. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2022 was also modified because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards (Canadian GAAS). My responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 GAAS, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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, misrepresentation, 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Other Matter

The financial statements of the Organization for the year ended December 31, 2022 were audited by another firm who expressed a qualified opinion on those financial statements dated May 30, 2023.

Rhodes Professional Corporation

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario
Whitby, Ontario
May 27, 2024

The Mississauga Heritage Foundation Incorporated

Statement of financial position

As at December 31

	General fund	Restricted Board	Restricted Discovery	2023	General fund	Restricted board	Restricted Discovery	2022
	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS								
Current								
Cash (Note 4)	92,841	–	–	92,841	106,924	–	–	106,924
Investment (Note 5)	–	39,773	–	39,773	–	38,722	–	38,722
Accounts receivable	7,945	–	–	7,945	7,985	–	–	7,985
Sales tax recoverable	23,415	–	–	23,415	19,250	–	–	19,250
Prepaid expenses	17,835	–	–	17,835	17,569	–	–	17,569
Inventory (Note 6)	19,134	–	–	19,134	–	–	–	–
Total current assets	161,170	39,773	–	200,943	151,728	38,722	–	190,450
Long-term assets								
Long-term investments (Note 5)	–	–	108,509	108,509	–	–	103,044	103,044
Permanent collection	–	–	1	1	–	–	1	1
Total assets	161,170	39,773	108,510	309,453	151,728	38,722	103,045	293,495
LIABILITIES								
Current								
Accounts payable and accrued charges	41,338	–	–	41,338	24,643	–	–	24,643
Deferred revenue (Note 7)	54,845	–	–	54,845	78,505	–	–	78,505
Total liabilities	96,183	–	–	96,183	103,148	–	–	103,148
Fund								
Net assets	64,987	39,773	108,510	213,270	48,580	37,722	103,045	190,347
Total liabilities and net assets	161,170	39,773	108,510	309,453	151,728	38,722	103,045	293,495

The accompanying notes are an integral part of these financial statements

Approved by the board on May 27, 2024 and signed on its behalf by:

"Douglas Hancock"

Douglas Hancock, President

"Rob Clause"

Rob Clause, Treasurer

The Mississauga Heritage Foundation Incorporated

Statement of Operations

For the year ended December 31, 2023

	General Fund	Restricted Board Fund	Restricted Discovery Fund	2023	General Fund	Restricted Board Fund	Restricted Discovery Fund	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Grant revenue								
City of Mississauga	319,737	–	–	319,737	282,321	–	–	282,321
Ontario Trillium Foundation	39,065	–	–	39,065	110,346	–	–	110,346
Federal Canada Summer Jobs	23,875	–	–	23,875	23,502	–	–	23,502
Canadian Red Cross	27,412	–	–	27,412	–	–	–	–
Community Foundation	–	–	–	–	17,769	–	–	17,769
Total grant revenue	410,089	–	–	410,089	433,938	–	–	433,938
Other revenue								
Bingo income	76,964	–	–	76,964	32,374	–	–	32,374
Awards night	52,041	–	–	52,041	46,335	–	–	46,335
Barter donations (Note 8)	15,098	–	–	15,098	22,316	–	–	22,316
Carassauga Canada Pavilion	14,903	–	–	14,903	9,984	–	–	9,984
Other income	8,485	–	–	8,485	2,080	–	–	2,080
Donations	7,464	–	–	7,464	6,671	–	–	6,671
Gift shop	3,583	–	–	3,583	177	–	–	177
Membership	2,755	–	–	2,755	1,725	–	–	1,725
Rotary Club	2,559	–	–	2,559	–	–	–	–
Interest	–	1,051	476	1,527	–	528	720	1,248
Education	998	–	–	998	400	–	–	400
Fundraising	455	–	–	455	4,402	–	–	4,402
Total other revenue	185,305	1,051	476	186,832				
Total revenue	595,394	1,051	476	596,921	560,402	528	720	561,650

The Mississauga Heritage Foundation Incorporated

Statement of Operations

For the year ended December 31, 2023

	General Fund	Restricted Board Fund	Restricted Discovery Fund	2023	General Fund	Restricted Board Fund	Restricted Discovery Fund	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Operating expenses								
Salaries and benefits	301,216	–	–	301,216	321,126	–	–	321,126
Legends row	51,838	–	–	51,838	8,442	–	–	8,442
Bingo expenses	39,138	–	–	39,138	32,374	–	–	32,374
Awards night	28,584	–	–	28,584	27,713	–	–	27,713
Canadian Red Cross	27,412	–	–	27,412	–	–	–	–
Awareness	24,357	–	–	24,357	10,950	–	–	12,950
Office supplies (Note 8)	19,482	–	–	19,482	20,937	–	–	20,937
Education (Note 8)	19,320	–	–	19,320	15,898	–	–	15,898
Trillium expenses	17,315	–	–	17,315	49,726	–	–	49,726
Occupancy costs (Note 8)	15,122	–	–	15,122	14,270	–	–	14,270
Silent auction (Note 8)	9,562	–	–	9,562	22,316	–	–	22,316
Insurance	5,673	–	–	5,673	4,412	–	–	4,412
Conservation	4,245	–	–	4,245	6,712	–	–	6,712
Interest and bank charges	3,655	–	–	3,655	1,923	–	–	1,923
Telephone	3,583	–	–	3,583	3,577	–	–	3,577
Audit and legal	1,904	–	–	1,904	3,484	–	–	3,484
Membership (Note 8)	1,781	–	–	1,781	524	–	–	524
Purchases for resale	1,708	–	–	1,708	45	–	–	45
Travel	1,415	–	–	1,415	233	–	–	233
Fundraising	1,089	–	–	1,089	1,311	–	–	1,311
Honorarium	588	–	–	588	1,000	–	–	1,000
Community foundation	–	–	–	–	10,933	–	–	10,933
Depreciation	–	–	–	–	9,536	–	–	9,536
Total operating expenses	578,987	–	–	578,987	568,442	–	–	568,442
Excess (deficiency) of revenue over expenditure from operations	16,407	1,051	476	17,934	(9,040)	528	720	(7,792)
Unrealized gain (loss) on investments	–	–	4,989	4,989	–	–	(2,351)	(2,351)
Excess (deficiency) of revenue over expenditure	16,407	1,051	5,465	22,923	(9,040)	528	(1,631)	(10,143)

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, 2023

	General Fund	Restricted Board Fund	Restricted Discovery Fund	2023	General Fund	Restricted Board Fund	Restricted Discovery Fund	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Net assets, beginning of year	48,580	38,722	103,045	190,347	57,620	38,194	104,676	200,490
Excess (deficiency) of revenue over expenditure	16,407	1,051	5,465	22,923	(9,040)	528	(1,631)	(10,143)
Net assets, end of year	64,987	39,773	108,510	213,270	48,580	38,722	103,045	190,347

The accompanying notes are an integral part of these financial statements

The Mississauga Heritage Foundation Incorporated

Statement of cash flows For the year ended October 31, 2023

	2023	2022
	\$	\$
Operating activities		
Excess (deficiency) of revenue over expenditure	22,923	(10,143)
Items not affecting cash:		
Fair value change in long-term investment	(4,989)	–
Depreciation	–	9,536
Changes in non-cash working capital:		
Change in accounts receivable	40	(4,725)
Change in sales tax recoverable	(4,165)	(12,370)
Change in inventory	(266)	44
Change in accounts payable and accrued charges	(19,134)	5,826
Change in deferred revenue	16,695	(30,463)
Change in prepaid expenses	(23,660)	(2,742)
Net cash used in operating activities	(12,556)	(45,037)
Investing activity		
Change in long-term investment	(476)	1,631
Cash provided by investing activity	(476)	1,631
Change in cash during the year	(13,032)	(43,406)
Cash, beginning of year	145,646	189,052
Cash, end of year	132,614	145,646
Cash consists of		
Cash	92,841	106,924
Short-term investment	39,773	38,722
	132,614	145,646
Supplementary information		
Interest received	1,527	1,248

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 October 31, 2023

1. DESCRIPTION OF BUSINESS

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. The Organization was established to identify, research, promote and encourage awareness of the diverse heritage relating to the City of Mississauga. As a registered charity the Organization is exempt from the payment of income tax under section 149(1) of the Income Tax Act.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (**ASNPO**).

Fund accounting

The Organization follows the restricted fund method of accounting for contributions.

- The General Fund accounts for the Organization's program delivery and administrative activities and reports unrestricted resources and restricted operating grants.
- The Restricted Board Fund reports the assets, liabilities, revenue and expenditures related to the Organization's special projects and is internally restricted by the Board.
- The Restricted Discovery Fund reports assets, liabilities, revenues and expenditures related to the Organization's Discovery Centre.

Basis of measurement

The financial statements have been prepared on the going concern and historical cost bases except for certain long-term investments that are measured at fair value. All amounts are in Canadian dollars.

Estimates and judgements

The preparation of financial statements in conformity with ASNPO often requires management to make estimates and exercise judgement that may affect the reported amounts of assets, liabilities, revenue and expenses during the reporting period. By their nature, estimates may be subject to measurement uncertainty and the effect on the financial statements of changes in measurement in future periods, if any, could be significant.

Determining whether the conditions are expected to be met for the recognition of contributions from certain sources involves significant judgement. There were no significant accounting estimates made by management in preparing the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied consistently to both periods presented.

Contributions

Unrestricted Contributions

The Organization follows the deferral method of accounting for unrestricted contributions, such that contributions related to general operations are recognized as revenue of the General Fund in the year in

The Mississauga Heritage Foundation Incorporated

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

which the related expenses are incurred. Contributions received that relate to expenses of future periods are deferred until the future period expense is recognized and are presented as deferred contributions on the statement of financial position. All revenues of the Organization are unrestricted except for interest income earned on restricted investments.

Restricted Contributions

Restricted contributions include interest income earned on investments held in the Restricted Board and Restricted Discovery funds and are recognized in the respective restricted fund.

Volunteer services and donated materials

The operations of the Organization are dependent on the volunteer activities of many individuals and the donation of materials. Because these services are not normally purchased by the Organization and their fair value cannot be determined, donated services are not recognized in these financial statements.

The Organization receives sponsorship in-kind from certain sponsors. Such sponsorship is recognized as sponsorship revenue in the financial statements at its fair value, as determined by the sponsor, with an equal expense in the statement of operations and change in fund balance.

Inventory

Inventory consists of books held for sale and is measured at the lower of cost and net realizable value. Cost includes the cost of design and creation, and the cost of printing.

Financial instruments

Financial assets and financial liabilities are recognized when the Organization becomes a party to a financial instrument. Financial assets and financial liabilities are initially recognized at fair value plus or minus transaction costs, except for financial assets and financial liabilities at fair value through net income, which are initially measured at fair value. The Organization's cash, accounts receivable, investments and accounts payable and accrued charges are subsequently measured at amortized cost. Mutual fund long-term investments are measured at fair value with changes in fair value recognized in operations.

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, including acquisition costs, appraisal fees, shipping costs and storage fees, are expensed as incurred.

Cash equivalents

Short-term investments which are readily convertible into known amounts of cash, typically with maturity dates of less than 90 days, are considered to be cash equivalents.

The Mississauga Heritage Foundation Incorporated

4. CASH

Included in cash at December 31, 2023 is an amount of \$6,901 (2022 - \$32,521) that is held in trust by The Ontario Lottery and Gaming Corporation ("OLG"), the source of which is the Organization's participation in OLG's charitable games. The funds are to be used for specified activities, as defined in the Organization's license to participate in the charitable games. The cash held at December 31, 2023 and 2022 represents revenue for future expenses, which are presented as deferred contributions on the statement of financial position. See note 7.

5. INVESTMENTS

The Board Restricted investment is an investment saving account based on mutual fund investments. The Restricted Discovery investment consists of an investment saving account based on mutual fund investments of \$6,077 (2022 - \$103,044) and guaranteed investment certificates of \$102,694 (2022 - nil).

6. INVENTORY

During the year, inventory cost of \$1,265 (2022 – nil) was expensed and is included in cost of goods sold on the statement of operations.

7. DEFERRED REVENUE

Movements in deferred contributions during the year were as follows.

	Deferred revenue		Recognized	Deferred revenue		Deferred revenue	
	Jan. 1, 2022	Amount received	as revenue	Dec. 31, 2022	Amount received	Recognized as revenue	Dec. 31, 2023
	\$	\$	\$	\$	\$	\$	\$
Ontario Trillium Foundation (i)	48,840	71,900	(110,346)	10,394	57,800	(39,065)	29,129
Bingo (Note 4)	19,613	45,282	(32,374)	32,521	51,344	(76,964)	6,901
Red Cross	–	–	–	–	32,262	(27,412)	4,850
Indigenous programming	–	–	–	–	7,292	(2,560)	4,732
City of Mississauga	20,059	290,000	(282,321)	27,738	295,000	(319,737)	3,001
Community Foundation	15,769	4,500	(17,769)	2,500	–	–	2,500
Meadowvale Village	1,379	–	–	1,379	–	–	1,379
Interpretive panels	–	890	–	890	120	–	1,010
National Trust	1,000	–	–	1,000	–	–	1,000
Mississauga of the Credit First Nation	343	–	–	343	–	–	343
Thompson's Company	1,965	1,820	(2,045)	1,740	–	(1,740)	–
Balances at December 31	108,968	414,392	(444,855)	78,505	443,818	(467,478)	54,845

- (i) The Organization paid deposits for website development totalling \$16,269 at December 31, 2023 (2022 - \$16,269). The deposits paid are included in prepaid expenses. The website cost was financed in part from funds received from Ontario Trillium Foundation during the year ended December 31, 2022. The funding received of \$10,394 is included in deferred revenue

The Mississauga Heritage Foundation Incorporated

7. DEFERRED REVENUE (CONTINUED)

as at December 31, 2022 and 2023. The website is expected to be completed during 2024, at which time the deferred revenue will be recognized into the statement of operations in the same pattern and over the same useful life as the asset.

8. BARTER ACCOUNT

	2023	2022
	\$	\$
Balance, beginning of year	–	–
Allowance reversal	77,427	91,743
Amounts received	14,959	8,000
Amounts spent	(15,098)	(22,316)
	77,288	77,427
Allowance	(77,288)	(77,427)
Balance, end of year	–	–

The amount spent during the year of \$14,968 (2022 - \$22,316) was expensed in the statement of operations as follows:

	2023	2022
	\$	\$
Silent auction	9,562	22,316
Education	2,470	–
Membership	1,283	–
Office supplies	1,132	–
Occupancy cost	651	–
	15,098	22,316

9. COMMITMENTS

The Organization has commitments for lease of the following:

- (i) The Grange at 1921 Dundas St. West, Mississauga, ON L5K 1R2 from the City of Mississauga for an annual rent of \$2. The current lease expires on November 30, 2024.
- (ii) Legend's Row in Celebration Square from the City of Mississauga for an annual rent of \$2 under an agreement that expires on April 30, 2025.
- (iii) A copier under a lease that expires in January 2029. The annual rent for each of the next five years is \$2,004.

The Mississauga Heritage Foundation Incorporated

10. FINANCIAL INSTRUMENTS

Financial risks

Financial instruments give rise to a variety of risks including: credit risk, liquidity risk, foreign exchange, interest and other price risks. The Organization operates in a manner that minimizes its exposure to risks to the extent practicable. It is management's opinion that the Organization is not exposed to significant foreign exchange, interest or other price risks arising from its financial instruments. There have been no significant changes to risks or their management since the prior year.

Credit risk

The Organization is exposed to credit risk due to cash, investments and accounts receivable, as presented on the statement of financial position. The cash and investments are held at a Canadian chartered bank. The accounts receivable are due from various entities and individuals. Credit risk is considered to be nominal.

Liquidity risk

Liquidity risk is the risk that the Organization will experience difficulty in realizing its assets and settling its liabilities as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds. The statement of financial position does not reflect the Organization's exposure to liquidity risk during the year due to the timing of receipt of funds from significant funders.