

MAINSTREAM: AN UNSHELTERED WORKSHOP
Financial Statements
For the year ended March 31, 2022

Table of Contents	Page
Independent Auditors' Report	1 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Operations and Net Assets	5
Statement of Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 12
Report of the Independent Auditor on the Supplementary Financial Information	13
Schedule 1 - Occupancy/Fundraising Fund	14
Schedule 2 - Graffiti Project	15



Tony DiPaola, CPA, CA, LPA

Felice DiPietro, CPA, CMA

Stefano DiPietro, CPA, CA

James Little, CPA, CA, LPA

Alyssa Stuppiello, CPA, CA

Independent Auditors' Report

To the Members of
Mainstream: An Unsheltered Workshop

Opinion

We have audited the accompanying financial statements of Mainstream: An Unsheltered Workshop (the organization), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, net assets, and 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 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 organization as at March 31, 2022, and its results of its operations and cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

Mainstream: An Unsheltered Workshop derives a portion of its receipts in the form of donations and incurs cash expenses in the form of client training allowances, which are not susceptible of complete audit verification. Accordingly, our verification of these items was limited to a comparison of bank statements with the amounts recorded in the records of the organization, and we were not able to determine whether any adjustments might be necessary to donations revenue, client training allowances and net assets for the years ended March 31, 2022 and March 31, 2021.

Note 1 describes the land, buildings and amortization accounting policy of Mainstream: An Unsheltered Workshop. Land and buildings are capitalized on the statement of financial position and where debt exists on any of the buildings they are amortized to the extent the related mortgage principal is repaid during the year. Renovation and equipment expenditures eligible for Ministry Minor Capital grants have been expensed. All other equipment additions are expensed on the statement of operations when purchased. Under Canadian accounting standards for not-for-profit organizations, all property and equipment should be capitalized and amortized over their estimated useful lives. Furthermore, the policy should be applied on a retroactive basis. The effects of not following Canadian accounting standards for not-for-profit organizations have not been determined on the statement of financial position as at March 31, 2022 and March 31, 2021 and on the statement of operations for the years ended March 31, 2022 and March 31, 2021.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 qualified 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. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

PROVIDING OPTIMISM & CLARITY

DDL & CO.

DiPaola, DiPietro & Little Professional Corporation · 69 Ontario Street, St.Catharines, ON. L2R 5J5

t 905 680 8669 · f 905 680 8346 · www.ddlaccounting.com



Tony DiPaola, CPA, CA, LPA
 Felice DiPietro, CPA, CMA
 Stefano DiPietro, CPA, CA
 James Little, CPA, CA, LPA
 Alyssa Stuppiello, CPA, CA

Independent Auditors' Report

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 our auditors' 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.

PROVIDING OPTIMISM & CLARITY

DDL & CO.

DiPaola, DiPietro & Little Professional Corporation · 69 Ontario Street, St.Catharines, ON. L2R 5J5
 t 905 680 8669 · f 905 680 8346 · www.ddlaccounting.com



Tony DiPaola, CPA, CA, LPA

Felice DiPietro, CPA, CMA

Stefano DiPietro, CPA, CA

James Little, CPA, CA, LPA

Alyssa Stuppiello, CPA, CA

Independent Auditors' Report

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.

DiPaola Di Pietro & Little Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

St. Catharines, Ontario
July 04, 2022

PROVIDING OPTIMISM & CLARITY

DDL & CO.

DiPaola, DiPietro & Little Professional Corporation · 69 Ontario Street, St.Catharines, ON. L2R 5J5

t 905 680 8669 · f 905 680 8346 · www.ddlaccounting.com

MAINSTREAM: AN UNSHELTERED WORKSHOP

Statement of Financial Position

March 31, 2022

	Note	Occupancy/ Fundraising Fund	Residential Joint Venture Fund	2022	2021
ASSETS					
Current assets					
Cash		\$ 181,645	\$ 3,601	\$ 185,246	\$ 105,717
Cash - Bingo Fund		38,962	-	38,962	31,511
Cash - Replacement Reserve Fund		-	33,061	33,061	29,768
Accounts receivable		107,925	-	107,925	166,454
Sales tax receivable		59,462	-	59,462	60,508
Prepaid expenses		14,800	2,581	17,381	12,112
Due from St. Catharines Mainstream Non-Profit Housing Project		21,225	-	21,225	47,802
Interfund receivable (payable)		(1,460)	1,460	-	-
Total current assets		422,559	40,703	463,262	453,872
Due from Gateway	2.	1,491	19,606	21,097	29,025
Land and buildings	3.	690,146	387,846	1,077,992	1,093,917
TOTAL ASSETS		1,114,196	448,155	1,562,351	1,576,814
LIABILITIES AND NET ASSETS					
Current liabilities					
Accounts payable and accrued liabilities	5.	26,566	7,725	34,291	48,260
Deferred revenue		1,685	474	2,159	10,742
Current portion of long term debt	6.	7,396	18,516	25,912	24,418
Long-term debt due on demand	6.	-	18,054	18,054	37,138
Total current liabilities		35,647	44,769	80,416	120,558
Long-term debt	6.	234,480	-	234,480	241,759
Total liabilities		270,127	44,769	314,896	362,317
Net assets					
Restricted					
Contributed equity	7.	-	372,168	372,168	372,168
Replacement reserve		-	33,061	33,061	29,768
Unrestricted					
Accumulated surplus		805,108	(1,843)	803,265	781,050
Bingo fund		38,961	-	38,961	31,511
Total net assets		844,069	403,386	1,247,455	1,214,497
TOTAL LIABILITIES AND NET ASSETS		\$ 1,114,196	\$ 448,155	\$ 1,562,351	\$ 1,576,814

Approved on Behalf of the Board:

Michael B. Robertson, President Jeff Kelly, Treasurer

MAINSTREAM: AN UNSHELTERED WORKSHOP

Statement of Operations

For the Year Ended March 31, 2022

	Occupancy/ Fundraising Fund	Residential Joint Venture Fund	2022	2021
Revenue				
United Way grants	\$ 13,985	\$ -	\$ 13,985	\$ 10,954
Donations	3,720	-	3,720	11,277
Fundraising Income	490	-	490	801
Grants - other	43,779	-	43,779	23,971
Occupancy recovery	124,166	53,828	177,994	197,439
User fees, Passport and other income	772,754	-	772,754	867,618
Total revenue	958,894	53,828	1,012,722	1,112,060
Expenditures				
Advertising and promotion	-	-	-	156
Amortization	7,083	17,686	24,769	23,514
Building costs	34,556	8,796	43,351	38,885
Capital expenditures	2,978	852	3,830	11,824
Client training allowances	-	-	-	112
Consulting fees	5,100	-	5,100	9,666
Equipment rental	5,586	-	5,586	5,493
Insurance	6,978	3,627	10,605	16,116
Interest and bank charges	2,526	100	2,626	1,989
Interest on long term debt	10,569	2,294	12,863	14,118
Minor capital expenditure	-	-	-	379
Municipal taxes	14,396	-	14,396	11,863
Office and meetings	2,358	3,000	5,358	76,781
Purchase services	617,614	-	617,614	623,718
Replacement reserve contribution	-	3,000	3,000	3,000
Salaries and benefits	130,993	-	130,993	53,139
Supplies	5,122	-	5,122	3,880
Utilities and telephone	45,689	19,286	64,975	70,445
Vehicle and travel	46,327	-	46,327	52,327
Total expenditures	937,875	58,641	996,515	1,017,405
Excess (deficiency) of revenue over expenditures before fund transfers	21,019	(4,813)	16,207	94,655
Transfer from (to) Gateway	-	2,406	2,406	1,827
Transfer from Bingo Fund	3,502	-	3,502	9,110
Net excess (deficiency) of revenue over expenditures	\$ 24,521	\$ (2,407)	\$ 22,115	\$ 105,592

MAINSTREAM: AN UNSHELTERED WORKSHOP**Statement of Net Assets****March 31, 2022**

	2022	2021
Operating Fund		
Balance, beginning of year	\$ -	\$ 16,312
Transfer to Occupancy/Fundraising Fund	-	(16,312)
Balance, end of year	-	-
Occupancy/Fundraising Fund		
Balance, beginning of year	780,587	656,856
Excess of revenue over expenditures		
Occupancy/Fundraising	19,115	102,042
Graffiti Project	5,406	5,377
Total excess of revenue over expenditures	24,521	107,419
Transfer from Operating Fund	-	16,312
Balance, end of year	805,108	780,587
Bingo Fund		
Balance, beginning of year	31,511	33,493
Receipts for the year	10,952	7,128
Transfer to Occupancy/Fundraising Fund	(3,502)	(9,110)
Balance, end of year	38,961	31,511
Residential Joint Venture Fund		
<i>Contributed Equity</i>		
Federal/Provincial government forgivable loans	372,168	372,168
<i>Replacement Reserve</i>		
Balance, beginning of year	29,768	26,037
Transfer from operations	3,000	3,000
Interest income	293	731
Balance, end of year	33,061	29,768
<i>Unrestricted accumulated surplus</i>		
Balance, beginning of year	463	2,290
Prior year correction	100	-
Excess (deficiency) of revenue over expenditures	(2,406)	(1,827)
Balance, end of year	\$ (1,843)	\$ 463

MAINSTREAM: AN UNSHELTERED WORKSHOP

Statement of Cash Flows

For the Year Ended March 31, 2022

	2022	2021
Cash flows from operating activities:		
Excess of revenue over expenditures for the year		
Occupancy/Fundraising Fund	\$ 24,521	\$ 107,419
Ontario Street Joint Venture	(2,406)	(1,827)
Bingo Fund	10,952	7,128
Total excess of revenue over expenditures for the year	33,067	112,720
Non cash items		
Amortization of capital assets	24,769	23,514
Transfer from Bingo Fund	(3,502)	(9,110)
Gateway portion of Joint Venture amortization	(8,843)	(8,364)
	45,491	118,760
Net change in accounts receivable	60,020	(95,112)
Net change in sales tax receivable	1,046	(21,303)
Net change in prepaid expenses	(5,269)	3,533
Net change in accounts payable and accrued liabilities	(13,969)	(46,536)
Net change in deferred revenue	(8,583)	6,447
Net change in due (to) from St. Catharines Mainstream Non-Profit Housing Project	26,577	(1,024)
Total cash flows from operating activities	105,313	(35,235)
Cash flows from investing activities:		
Decrease in due from Gateway	6,436	6,507
Cash flows from financing activities:		
Repayments of long term debt	(24,869)	(23,414)
Increase in cash	86,880	(52,142)
Cash - beginning	137,228	189,470
Cash - ending	\$ 224,108	\$ 137,328
Cash is represented by the following:		
Cash	\$ 185,247	\$ 105,717
Cash - Bingo Fund	38,961	31,511
	\$ 224,208	\$ 137,228

MAINSTREAM: AN UNSHELTERED WORKSHOP

Notes to the Financial Statements

For the Year Ended March 31, 2022

1. Significant accounting policies

a. Nature of business and basis of preparation

Mainstream: An Unsheltered Workshop (the organization) is a registered charitable organization which received its Letters Patent on May 29, 1985. The organization provides vocational and life skills for adults with a developmental difference.

The organization is a registered charity under the Income Tax Act and is exempt from payment of taxes as provided under the Income Tax Act.

The accounting policies of the organization are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

b. Fund accounting

Prior to March 31, 2020 the Operating Fund received funds from the Ministry of Community and Social Services and other revenues related to funding the Organization's community participation projects or other regular programs. The related funding and expenses of the community participation and other programs are now being handled and reported by St. Catharines Mainstream Non-Profit Housing Project.

The Occupancy/Fundraising Fund records revenue from its housing and building program such as participation fees, occupancy recoveries, fee for services, and all related expenses. It also reports revenue from donations and income and expenses from other fundraising activities.

The Residential Joint Venture Fund jointly operates a nine unit residential complex as disclosed in note 2.

c. Revenue recognition

Government funding is recognized in the year to which the approved budget relates. Subsequent adjustment by the government, if any, based on their review of actual expenses versus the approved budget will be reflected by the Organization in the year of adjustment to the statement of operations.

Other revenue is reported in the year it relates to.

The Organization used the deferral method of accounting for its revenue contributions, in which restricted contributions related to expenditures of future periods are deferred and recognized as revenue in the period in which the related expenditures are incurred. Funding received to operate specific projects is recognized in the period the project expenses are incurred.

Contributions related to the purchase of fixed assets are recognized as revenue in the period in which the fixed asset is expensed or amortized.

d. Land, buildings and amortization

The land and buildings are recorded on the statement of financial position at cost less the accumulated amortization where applicable. Where debt exists on the buildings they are amortized to the extent the related long-term debt is repaid monthly during the year or approval has been granted to apply any current year subsidy surplus against the mortgage payable after the year end date. No amortization is taken for the payment of long term debt at maturity.

Equipment additions are expensed on the statement of operations when purchased. Capital expenditures in the amount of \$3,830 (2021 - \$11,824) were expensed in the current year.

MAINSTREAM: AN UNSHELTERED WORKSHOP

Notes to the Financial Statements

For the Year Ended March 31, 2022

1. Significant accounting policies (continued)

e. Financial instruments

Initial and subsequent measurement:

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying or exchange amount, as appropriate.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, due from St. Catharines Mainstream Non-Profit Housing Project, and due from Gateway.

Financial liabilities measured at amortized cost include accounts payable and accruals and long-term debt.

Transactions costs:

The organization recognizes all transaction costs related to financial assets and liabilities subsequently measured at fair value as a reduction to net income in the period in which the costs were incurred.

Impairment:

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

f. Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the recognized amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the fair value of assets acquired, liabilities assumed, collectability of accounts receivable, and the useful life of buildings.

2. Residential joint venture - 160 Ontario Street

Mainstream: An Unsheltered Workshop and Gateway Residential & Community Support Services of Niagara Inc. ("Gateway") entered into a joint venture agreement to construct and operate a nine unit residential complex at 160 Ontario Street, St. Catharines.

The assets, liabilities, and net assets reported on the statement of financial position reflect Mainstream: An Unsheltered Workshop's 50% share of the joint venture assets, liabilities, and net assets.

Mainstream: An Unsheltered Workshop is reporting 100% of the revenue and expenditures of the 160 Ontario Street residential joint venture. Fifty percent of any excess (deficiency) of revenue over expenditure will be payable to/(recovered from) Gateway.

MAINSTREAM: AN UNSHELTERED WORKSHOP

Notes to the Financial Statements

For the Year Ended March 31, 2022

3. Land and buildings

Land and buildings consist of the following:

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
263 Pelham Road				
Land	\$ 156,000	\$ -	\$ 156,000	\$ 156,000
Building	392,505	314,906	77,599	77,599
	548,505	314,906	233,599	233,599
91 Pelham Road				
Land	25,650	-	25,650	25,650
Building	59,847	50,000	9,847	9,847
	85,497	50,000	35,497	35,497
35 Fawell Ave				
Land	112,000	-	112,000	112,000
Building	337,174	28,124	309,050	316,133
	449,174	28,124	421,050	428,133
Sub-total	1,083,176	393,030	690,146	697,229
160 Ontario Street (50%)				
Land	109,675	-	109,675	109,675
Building	341,299	75,515	265,784	274,626
Fixtures	12,387	-	12,387	12,387
Sub-total	463,361	75,515	387,846	396,688
Total	\$ 1,546,537	\$ 468,545	\$ 1,077,992	\$ 1,093,917

4. Line of credit

The organization has an authorized line of credit to a maximum of \$ 25,000 bearing interest at prime plus 2%, secured by a general security agreement. As at March 31, 2022, \$ NIL (2021 - \$ NIL) was drawn under this facility.

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	Occupancy/ Fundraising Fund	Residential Joint Venture Fund	2022	2021
Trade accounts payable	\$ 11,167	\$ -	\$ 11,167	\$ 17,355
Trade payables to related parties	-	3,985	3,985	10,526
Wages payable	6,108	-	6,108	9,884
Other accrued liabilities	9,068	3,740	12,808	10,457
Other payables	223	-	223	38
Total	\$ 26,566	\$ 7,725	\$ 34,291	\$ 48,260

MAINSTREAM: AN UNSHELTERED WORKSHOP

Notes to the Financial Statements

For the Year Ended March 31, 2022

6. Long term debt

Long term debt consists of the following:

	Occupancy/ Fundraising Fund	Residential Joint Venture Fund	2022	2021
MERIDIAN CREDIT UNION - Mortgage payable, interest at a rate of 4.3%, repayable in monthly payments of \$1,471 including interest, due October 2023, secured by land and building at 35 Fawell Ave.	\$ 241,876	\$ -	\$ 241,876	\$ 248,959
MERIDIAN CREDIT UNION - Loan payable, interest at a rate of Prime plus 2.5%, repayable in monthly payments of \$1,665 including interest, due on demand, secured by a collateral mortgage on land and buildings owned by Mainstream and Gateway	-	36,570	36,570	54,356
Total debt	241,876	36,570	278,446	303,315
Less: current portion	(7,396)	(18,516)	(25,912)	(24,418)
Less: long-term debt due on demand	-	(18,054)	(18,054)	(37,138)
Long term portion of debt	\$ 234,480	\$ -	\$ 234,480	\$ 241,759

Principal repayments on long term debt over the next five years are as follows:

	Occupancy/ Fundraising Fund	Residential Joint Venture Fund	Total
2023	\$ 7,396	\$ 18,516	\$ 25,912
2024	7,720	18,054	25,774
2025	8,059	-	8,059
2026	8,412	-	8,412
2027	8,781	-	8,781
Subsequent	201,508	-	201,508
Total	\$ 241,876	\$ 36,570	\$ 278,446

7. Contributed equity

The Residential Joint Venture received Federal and Provincial government forgivable loans, a grant from the Regional Municipality of Niagara and completed various fundraising activities to assist in the capital costs related to the Joint Venture. The Federal and Provincial government loans are forgivable over 20 years as long as the Joint Venture maintains ownership of 160 Ontario Street and there is no change in use of the property during this time frame.

The Board of Directors determined that a fair presentation would be to report these sources of funding as contributed equity rather than to apply the amounts against the construction cost of the assets or to record them as deferred revenue. If the Residential Joint Venture disposes of the real estate, the Federal and Provincial forgivable loan are required to be repaid.

MAINSTREAM: AN UNSHELTERED WORKSHOP

Notes to the Financial Statements

For the Year Ended March 31, 2022

8. Financial instruments

a. Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at March 31, 2022.

b. Credit risk

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. These accounts are generally rent and program fees settled monthly and the Organization does not anticipate any significant loss for non-performance.

c. Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price. The organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The organization also maintains certain credit facilities, which can be drawn upon as needed.

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The organization's principal exposure to interest rate fluctuations is with respect to its short-term and long-term financing which bear interest at floating rates.

9. Comparative figures

Comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

10. Contingency

The Organization has guaranteed the indebtedness of St. Catharines Mainstream Non-Profit Housing Project for amounts owing to Meridian Credit Union under its credit facility up to \$142,000. As at March 31, 2022, \$ NIL (2021 - \$ NIL) was drawn under this facility

11. COVID-19

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Organization continues to receive government funding, special grants as well as regular occupancy and participation fees to carry out its various programs. Accordingly there has been minimum impact of the pandemic on the financial position and operating results of the Organization.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.



Tony DiPaola, CPA, CA, LPA

Felice DiPietro, CPA, CMA

Stefano DiPietro, CPA, CA

James Little, CPA, CA, LPA

Alyssa Stuppiello, CPA, CA

Report of the Independent Auditor on the Supplementary Financial Information

To the Members of
Mainstream: An Unsheltered Workshop

Opinion

The supplemental financial information, which comprise the statement of revenue and expenditures by program, are derived from the audited financial statements of Mainstream: An Unsheltered Workshop for the year ended March 31, 2022.

In our opinion, the accompanying supplementary financial information is a fair summary of the audited financial statements.

Supplementary financial information

The supplementary financial information does not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the supplemental financial information is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed a qualified audit opinion on the audited financial statements in our report dated MONTH DAY, YEAR. The basis for our qualified opinion was the Organization follows the accounting policies of expensing fixed assets in the year acquired and recognizing funding designated for fixed assets as income in the year received. Canadian accounting standards for not-for-profit organizations require that fixed assets be capitalized and amortized over their estimated useful lives, and the funding designated for fixed assets be deferred and recognized as income over the estimated useful lives of the related assets. In addition, the organization derives a portion of its receipts in form of donations and incurs expenses in the form of client training allowances, which are not susceptible to complete audit verification.

Management's responsibility for the supplementary financial information

Management is responsible for the preparation of the supplementary financial information.

Auditor's responsibility

Our responsibility is to express an opinion on whether the supplementary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian generally accepted auditing standards.

DiPaola Di Pietro & Little Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

St. Catharines, Ontario
July 04, 2022

PROVIDING OPTIMISM & CLARITY

DDL & CO.

DiPaola, DiPietro & Little Professional Corporation • 69 Ontario Street, St.Catharines, ON. L2R 5J5
t 905 680 8669 • f 905 680 8346 • www.ddlaccounting.com

MAINSTREAM: AN UNSHELTERED WORKSHOP
Schedule 1 - Occupancy/Fundraising Fund
For the Year Ended March 31, 2022
(Unaudited)

	2022	2021
Revenue		
Donations	\$ 3,720	\$ 11,277
United Way grants	3,985	5,454
Grants - other	43,779	23,971
Fundraising Income	490	801
Occupancy recovery	124,166	143,594
User fees, Passport and other income	772,754	867,618
Total revenue	948,894	1,052,715
Expenditures		
Advertising and promotion	-	156
Amortization	7,083	6,786
Building costs	34,556	32,394
Capital expenditures	2,978	11,824
Client training allowances	-	112
Consulting fees	5,100	9,666
Equipment rental	5,586	5,493
Insurance	6,978	12,700
Interest and bank charges	2,526	1,875
Interest on long term debt	10,569	10,866
Minor capital expenditure	-	379
Municipal taxes	14,396	11,863
Office and meetings	2,340	73,781
Purchase services	617,614	622,718
Salaries and benefits	126,417	53,016
Supplies	5,122	3,880
Utilities and telephone	45,689	49,947
Vehicle and travel	46,327	52,327
Total expenditures	933,281	959,783
Excess of revenue over expenditures before fund transfer	15,613	92,932
Transfer from Bingo Fund	3,502	9,110
Excess of revenue over expenditures	\$ 19,115	\$ 102,042

MAINSTREAM: AN UNSHELTERED WORKSHOP**Schedule 2 - Graffiti Project****For the Year Ended March 31, 2022****(Unaudited)**

	2022	2021
Revenue		
United Way grants	\$ 9,999	\$ 5,500
Expenditures		
Salaries and benefits	4,576	123
Supplies	17	-
Total expenditures	4,593	123
Net excess of revenue over expenditures	\$ 5,406	\$ 5,377

Certificate Of Completion

Envelope Id: 566A071865674A3C82E1313B45FC5983

Status: Completed

Subject: DDL & Co. - 2022 FS Workshop - Signatures Required

Source Envelope:

Document Pages: 16

Signatures: 2

Envelope Originator:

Certificate Pages: 2

Initials: 0

DDL & Co.

AutoNav: Enabled

admin@ddlaccounting.com

Enveloped Stamping: Enabled

IP Address: 52.139.17.21

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Record Tracking

Status: Original

Holder: DDL & Co.

Location: DocuSign

7/22/2022 7:43:02 AM

admin@ddlaccounting.com

Signer Events**Signature****Timestamp**

Jeff Kelly

jeff.kelly@vesuvius.com

Security Level:

.Email

ID: 029d51c3-4722-417c-8497-f31b8274c99c

7/25/2022 5:49:34 AM



Signature Adoption: Pre-selected Style

Using IP Address: 165.225.208.185

Sent: 7/22/2022 7:44:04 AM

Viewed: 7/25/2022 5:49:40 AM

Signed: 7/25/2022 5:58:45 AM

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Michael B. Robertson

southmbr31@gmail.com

Security Level:

.Email

ID: 701c420e-fde6-4456-987a-c4e83202a68e

7/25/2022 6:12:09 AM



Signature Adoption: Pre-selected Style

Using IP Address: 70.27.182.43

Sent: 7/22/2022 7:44:04 AM

Viewed: 7/25/2022 6:12:12 AM

Signed: 7/25/2022 6:15:49 AM

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp****Witness Events****Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Sent

Hashed/Encrypted

7/22/2022 7:44:04 AM

Certified Delivered

Security Checked

7/25/2022 6:12:12 AM

Signing Complete

Security Checked

7/25/2022 6:15:49 AM

Completed

Security Checked

7/25/2022 6:15:49 AM

Payment Events	Status	Timestamps
----------------	--------	------------