


AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.
Financial Statements
Year Ended March 31, 2022



HARRIS RYAN



AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

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Year Ended March 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Autism Society of Newfoundland and Labrador Inc.

Qualified Opinion

We have audited the financial statements of Autism Society of Newfoundland and Labrador Inc. (the society), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, revenues and expenses 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 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 society as at March 31, 2022, and the results of its operations and 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 charitable organizations, the society derives revenue from fundraising activities and donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, current assets and net assets. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing 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 society in accordance with 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 audit 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 society'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 society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the society's financial reporting process.

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.

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Independent Auditor's Report to the Members of Autism Society of Newfoundland and Labrador Inc.
(continued)

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 society'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 society'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 society 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.



St. John's, Newfoundland and Labrador
September 24, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

Statement of Financial Position

March 31, 2022

	Autism Centre Fund (Note 7) 2022	General Fund 2022	Total 2022	Total 2021
ASSETS				
CURRENT				
Cash	\$ -	\$ 867,343	\$ 867,343	\$ 527,256
Accounts receivable	-	28,416	28,416	190,413
Inventory (Note 4)	-	1,250	1,250	1,250
Prepaid expenses	-	34,746	34,746	31,506
Investments (Note 3)	360,263	116,762	477,025	473,413
	360,263	1,048,517	1,408,780	1,223,838
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)	1,295,643	-	1,295,643	1,341,849
	\$ 1,655,906	\$ 1,048,517	\$ 2,704,423	\$ 2,565,687
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ -	\$ 61,029	\$ 61,029	\$ 58,184
Government remittances payable	-	6,973	6,973	1,779
Partner support group	-	73,100	73,100	33,118
Deferred contributions	-	116,474	116,474	147,393
Deferred capital contributions (Note 6)	317,180	-	317,180	320,713
	317,180	257,576	574,756	561,187
NET ASSETS				
Unrestricted net assets	-	790,941	790,941	625,829
Investment in capital assets	978,463	-	978,463	1,021,136
Restricted net assets (Note 7)	360,263	-	360,263	357,535
	1,338,726	790,941	2,129,667	2,004,500
	\$ 1,655,906	\$ 1,048,517	\$ 2,704,423	\$ 2,565,687

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.
Statement of Changes in Net Assets
Year Ended March 31, 2022

	Unrestricted net assets	Investment in capital assets	Restricted net assets	Total 2022	Total 2021
NET ASSETS - BEGINNING OF YEAR	\$ 625,829	\$ 1,021,136	\$ 357,535	\$ 2,004,500	\$ 1,626,668
Excess of revenues over expenses	125,167	-	-	125,167	377,832
Capital asset additions	(25,073)	25,073	-	-	-
Deferred capital contributions	5,078	(5,078)	-	-	-
Investment income	(2,728)	-	2,728	-	-
Amortization	71,279	(71,279)	-	-	-
Amortization of deferred capital contributions	(8,611)	8,611	-	-	-
NET ASSETS - END OF YEAR	\$ 790,941	\$ 978,463	\$ 360,263	\$ 2,129,667	\$ 2,004,500

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**Statement of Revenues and Expenses****Year Ended March 31, 2022**

	2022	2021
REVENUES		
Grants revenue <i>(Note 8)</i>	\$ 953,622	\$ 877,544
Fundraising revenue	250,649	192,379
Pantry revenue	164,372	11,430
Operation subsidy (ACOA)	106,902	25,880
Good Roots Gardening Revenue	20,790	3,992
Program revenue	9,026	13,201
Amortization of deferred capital contributions	8,611	7,503
	1,513,972	1,131,929
EXPENSES		
Fundraising expenses	10,390	31,122
Good Roots Gardening expenses <i>(Note 9)</i>	5,600	307
Hair Factory fund	36,094	-
Pantry expenses <i>(Note 9)</i>	168,832	23,596
Payroll expenses	921,227	791,292
Program expenses	27,981	21,630
General and Administration Expenses <i>(Schedule 1)</i>	267,789	274,722
	1,437,913	1,142,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	76,059	(10,740)
OTHER INCOME		
Canada Emergency Wage Subsidy	49,108	388,571
EXCESS OF REVENUES OVER EXPENSES	\$ 125,167	\$ 377,831

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**Statement of Cash Flows****Year Ended March 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 125,167	\$ 377,831
Items not affecting cash:		
Amortization of capital assets	71,279	78,596
Amortization of deferred capital contributions	(8,611)	(7,503)
	187,835	448,924
Changes in non-cash working capital:		
Accounts receivable	161,997	(98,123)
Inventory	-	586
Accounts payable	2,845	9,062
Prepaid expenses	(3,240)	(694)
Investments	(3,612)	(3,031)
Government remittances payable	5,194	(19,622)
Partner support group	39,982	(2,413)
Deferred contributions	(30,919)	15,959
Deferred capital contributions	5,078	49,855
	177,325	(48,421)
Cash flow from operating activities	365,160	400,503
INVESTING ACTIVITIES		
Purchase of capital assets	(25,073)	(95,493)
Proceeds on disposal of capital assets	-	1,448
Cash flow used by investing activities	(25,073)	(94,045)
INCREASE IN CASH FLOW	340,087	306,458
Cash - beginning of year	527,256	220,797
CASH - END OF YEAR	\$ 867,343	\$ 527,255
CASH CONSISTS OF:		
Cash	\$ 867,343	\$ 527,256

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended March 31, 2022

1. PURPOSE OF THE SOCIETY

The Autism Society of Newfoundland and Labrador Inc. (the "society") is a provincial organization which provides services to people with autism spectrum disorder and their families. The society is incorporated under the Corporations Act of Newfoundland And Labrador as a corporation without share capital. The society is a registered charity under the Income Tax Act (Canada) and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	40 years	straight-line method
Motor vehicles	5 years	straight-line method
Equipment	5 years	straight-line method
Resource library	10 years	straight-line method
Pavement	10 years	straight-line method

Deferred capital contributions

Restricted funding for the purchase of capital assets is deferred and amortized on the same basis as the corresponding capital asset.

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AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended March 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The society recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Interest income is recognized on the accrual basis as earned.

Fundraising revenue is recognized when received.

The society follows the deferral basis of accounting for contributions. Unrestricted contributions 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 are recognized as revenue in the year in which the related expenses are incurred.

Financial instruments policy

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.

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 expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant items subject to estimates include accounts receivable and property, plant and equipment. Actual results could differ from these estimates.

3. INVESTMENTS

Investments consist of short term guaranteed investment certificates savings account purchased through the Newfoundland and Labrador Credit Union with a market value of \$477,025 (2021 - \$473,413). The guaranteed investment certificates are earning interest at rates between .85% and 1.75%

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**Notes to Financial Statements****Year Ended March 31, 2022****4. INVENTORY**

	2022	2021
Fundraising and restaurant supplies	\$ 1,250	\$ 1,250

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Buildings	\$ 1,789,666	\$ 548,470	\$ 1,241,196	\$ 1,274,643
Equipment	478,156	424,162	53,994	60,497
Motor vehicles	40,458	40,005	453	-
Resource library	83,582	83,582	-	475
Pavement	83,118	83,118	-	6,234
	\$ 2,474,980	\$ 1,179,337	\$ 1,295,643	\$ 1,341,849

6. DEFERRED CAPITAL CONTRIBUTIONS

	2022	2021
Opening balance	\$ 320,713	\$ 278,361
Contributions	5,078	49,855
Amortization	(8,611)	(7,503)
	\$ 317,180	\$ 320,713

7. RESTRICTED NET ASSETS

Since 1998, the society has been working towards the creation of a Provincial Centre for Autism, a centre for the provision of vocational and therapeutic programs to persons with autism spectrum disorder. Contributions restricted for the construction, furnishing and equipping of the Centre's building are presented in the Autism Centre Fund (Restricted net assets).

Restricted net assets consist of donations received for the construction of the Centre in excess of the cost to build the Centre. These amounts were recorded as revenue in the year received and are to be used for Centre capital projects only.

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended March 31, 2022

8. GRANT REVENUE

	2022	2021
<u>Grant Revenue</u>		
Department of Health and Community Services	\$ 507,500	\$ 507,500
Immigration, Population Growth and Skills	143,001	143,002
Sinneave Foundation	87,002	82,716
Other	70,594	38,086
Autism Nova Scotia	41,706	20,430
Fry Family	40,000	10,000
Hair Factory Bursary Fund	36,093	-
RBC Foundation	27,726	40,000
Community Foundations of Canada	-	35,810
	\$ 953,622	\$ 877,544

9. SOCIAL ENTERPRISE EXPENSES

	Labour	Other	2022	2021
Pantry expenses	\$ 101,043	\$ 67,789	\$ 168,832	\$ 23,596
Good Roots Gardening expenses	-	5,600	5,600	307

10. ECONOMIC DEPENDENCE

The society is economically dependent on the Government of Newfoundland and Labrador from which it derives a substantial portion of its funding.

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended March 31, 2022

11. FINANCIAL INSTRUMENTS

The society 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 society's risk exposure and concentration as of March 31, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society is exposed to credit risk from customers. In order to reduce its credit risk, the society reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The society is exposed to this risk mainly in respect of its receipt of funds and accounts payable.

(c) 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. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The society is mainly exposed to interest rate risk.

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the society manages exposure through its normal operating and financing activities. The society is exposed to interest rate risk primarily through its investments.

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**General and Administration Expenses****(Schedule 1)****Year Ended March 31, 2022**

	2022	2021
EXPENSES		
Amortization	\$ 71,279	\$ 78,596
Annual general meeting	1,359	1,219
Bad debt	8,582	14,943
Bank charges	941	775
Cleaning	12,527	8,777
Copier	1,194	2,546
Credit card (merchant fees)	10,176	3,795
Gas	635	222
Insurance	16,631	14,877
Meals	3,089	447
Miscellaneous	2,380	1,462
Office supplies	3,180	2,379
Payroll provider	3,720	2,608
Postage	1,880	2,166
Professional fees	29,287	65,370
Rent	28,789	23,261
Repairs and maintenance	5,142	12,088
Security monitoring	672	672
Telephone and internet	28,584	23,784
Training	13,486	639
Travel	9,719	1,697
Utilities	14,537	12,399
	\$ 267,789	\$ 274,722