



**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**

**Financial Statements**

**Year Ended March 31, 2020**



**HARRIS RYAN**



**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**

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**Year Ended March 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

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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, 2020, and the statements of changes in net assets, revenues and expenditures 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, 2020, 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 not-for-profit 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 revenue, excess of revenues over expenses, current assets and net assets.

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.

(continues)

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

*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 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.

*Haris Lyzen Professional Corporation*

St. John's, Newfoundland and Labrador  
September 20, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS



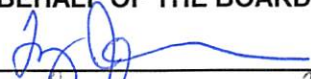

# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Statement of Financial Position

March 31, 2020

	Autism Centre Fund (Note 6) 2020	General Fund 2020	2020	2019
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ -	\$ 220,797	\$ 220,797	\$ 198,527
Accounts receivable	-	92,290	92,290	304,944
Inventory (Note 4)	-	1,836	1,836	1,836
Prepaid expenses	-	30,812	30,812	27,668
Investments (Note 3)	377,996	92,386	470,382	586,193
	377,996	438,121	816,117	1,119,168
<b>PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)</b>				
	1,317,885	8,515	1,326,400	1,081,691
	\$ 1,695,881	\$ 446,636	\$ 2,142,517	\$ 2,200,859
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT</b>				
Accounts payable	\$ -	\$ 49,120	\$ 49,120	\$ 60,343
Government remittances payable	-	21,401	21,401	22,313
Funds held and owing to chapters	-	35,531	35,531	200,984
Deferred contributions	-	131,434	131,434	238,326
Deferred Capital Contributions (Note 6)	278,361	-	278,361	-
	278,361	237,486	515,847	521,966
<b>NET ASSETS</b>				
Unrestricted net assets	-	200,635	200,635	45,992
Investment in capital assets	1,039,524	8,515	1,048,039	1,081,690
Restricted net assets	377,996	-	377,996	422,145
Internally restricted net assets	-	-	-	129,066
	1,417,520	209,150	1,626,670	1,678,893
	\$ 1,695,881	\$ 446,636	\$ 2,142,517	\$ 2,200,859

### ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Changes in Net Assets****Year Ended March 31, 2020**

	Unrestricted net assets	Investment in capital assets	Restricted net assets	Internally Restricted Fund	Total	Total
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 45,994	\$ 1,081,690	\$ 422,145	\$ 129,066	\$ 1,678,895	\$ 1,910,648
Deficiency of revenues over expenses	(52,227)	-	-	-	(52,227)	(231,753)
Capital asset additions	(265,501)	312,350	(46,849)	-	-	-
Deferred capital contributions	281,886	(281,886)	-	-	-	-
Investment income	(3,750)	-	2,700	1,050	-	-
Amortization	67,640	(67,640)	-	-	-	-
Amortization of deferred capital contributions	(3,523)	3,523	-	-	-	-
Transfer from internally restricted fund	130,116	-	-	(130,116)	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 200,635	\$ 1,048,037	\$ 377,996	\$ -	\$ 1,626,668	\$ 1,678,895

See notes to financial statements

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Revenues and Expenditures****Year Ended March 31, 2020**

	2020	2019
<b>REVENUES</b>		
Grants revenue <i>(Note 8)</i>	\$ 930,892	\$ 976,878
Fundraising revenue	544,971	466,699
Pantry revenue	161,818	157,400
Program revenue	59,386	61,983
Good Roots Gardening Revenue	36,528	27,489
Amortization of deferred capital contributions	3,523	-
Wage subsidy	15,592	-
	<b>1,752,710</b>	<b>1,690,449</b>
<b>EXPENSES</b>		
Fundraising expenses	135,199	75,682
Pantry expenses <i>(Note 9)</i>	133,475	150,422
Good Roots Gardening expenses <i>(Note 9)</i>	53,145	41,015
Program expenses	63,854	74,830
Payroll expenses	1,060,913	1,251,414
General and Administration Expenses <i>(Schedule 1)</i>	358,351	328,839
	<b>1,804,937</b>	<b>1,922,202</b>
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>\$ (52,227)</b>	<b>\$ (231,753)</b>

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Cash Flows****Year Ended March 31, 2020**

	2020	2019
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	\$ (52,227)	\$ (231,753)
Item not affecting cash:		
Amortization of capital assets	67,640	78,757
	15,413	(152,996)
Changes in non-cash working capital:		
Accounts receivable	212,654	(257,217)
Inventory	-	5,944
Accounts payable	(11,219)	(5,316)
Prepaid expenses	(3,144)	8,633
Investments	115,811	163,378
Government remittances payable	(912)	352
Funds held and owing to chapters	(165,453)	55,054
Deferred contributions	(106,892)	85,608
Deferred Capital Contributions	278,361	-
	319,206	56,436
Cash flow from (used by) operating activities	334,619	(96,560)
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	(312,349)	(68,783)
Cash flow used by investing activity	(312,349)	(68,783)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	22,270	(165,343)
Cash - beginning of year	198,527	363,870
<b>CASH - END OF YEAR</b>	\$ 220,797	\$ 198,527

See notes to financial statements



# **AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**

## **Notes to Financial Statements**

**Year Ended March 31, 2020**

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### **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.

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### **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 (ASNFPO).

#### 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:

Land improvements	40 years	straight-line method
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
Chapter assets	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, 2020**

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### **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. Actual results could differ from these estimates.

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### **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 \$470,382 (2019 - \$586,193). The guaranteed investment certificates are earning interest at rates between 1.25% and 2.30%

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**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Notes to Financial Statements****Year Ended March 31, 2020****4. INVENTORY**

	2020	2019
Fundraising and restaurant supplies	\$ 1,836	\$ 1,836

**5. CAPITAL ASSETS**

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Buildings	\$ 1,748,300	\$ 459,115	\$ 1,289,185	\$ 1,025,264
Equipment	360,949	347,344	13,605	15,635
Motor vehicles	39,891	39,891	-	-
Resource library	83,582	81,807	1,775	6,642
Pavement	83,118	68,572	14,546	22,858
Chapter assets	40,021	32,732	7,289	11,291
	\$ 2,355,861	\$ 1,029,461	\$ 1,326,400	\$ 1,081,690

**6. DEFERRED CAPITAL CONTRIBUTIONS**

	2020	2019
Contributions	\$ 281,884	\$ -
Amortization	(3,523)	-
	\$ 278,361	\$ -

**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, 2020****8. GRANT REVENUE**

	2020	2019
<u>Grant Revenue</u>		
Department of Children, Seniors and Social Development	\$ 507,500	\$ 632,650
Advanced Education Labour and Skills	143,000	143,000
Services Canada	28,913	25,804
Exploits Community Employment Corporation	10,948	12,117
Joyce Family Foundation	23,500	23,500
Sinneave Foundation	147,449	125,074
Department of Health and Community Services	31,000	-
Other	38,582	14,733
	<b>\$ 930,892</b>	<b>\$ 976,878</b>

**9. SOCIAL ENTERPRISE EXPENSES**

	Labour	Other	2020	2019
Pantry Expenses	\$ 83,007	\$ 50,468	\$ 133,475	\$ 150,422
Good Roots Gardening Expenses	44,691	8,454	53,145	41,015

**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.

**11. LEASE COMMITMENTS**

The society has a long term lease with respect to its Eastern Chapter premises. Future minimum lease payments as at March 31, 2020, are as follows:

2021	\$ 18,000
2022	1,500

# **AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**

## **Notes to Financial Statements**

**Year Ended March 31, 2020**

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### **12. 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, 2020.

#### ***(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. The society has a significant number of customers which minimizes concentration of credit risk.

#### ***(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.

Unless otherwise noted, it is management's opinion that the society is not exposed to significant other price risks arising from these financial instruments.

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**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****General and Administration Expenses****(Schedule 1)****Year Ended March 31, 2020**

	2020	2019
<b>EXPENSES</b>		
Annual general meeting	\$ 4,878	\$ 1,566
Awareness	9,911	27,809
Postage	2,461	2,230
Bad debt	13,001	8,952
Bank charges	963	737
Cleaning	10,361	10,972
Copier	6,877	6,689
Credit card	17,859	17,439
Depreciation	67,640	78,757
Garbage collection	-	150
Gas	1,621	1,084
Insurance	14,527	14,195
Meals and entertainment	1,225	3,089
Miscellaneous	450	1,569
Office supplies	4,923	5,296
Payroll provider	3,962	3,784
Professional fees	96,748	15,541
Rent	36,186	55,181
Repairs and maintenance	7,575	12,859
Security monitoring	684	648
Telephone and internet	22,934	31,806
Training	972	1,277
Travel	12,667	12,436
Utilities	19,926	14,773
	<b>\$ 358,351</b>	<b>\$ 328,839</b>