

AUTISM SOCIETY CANADA
Financial Statements
Year Ended December 31, 2019

AUTISM SOCIETY CANADA
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Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of Autism Society Canada

Qualified Opinion

We have audited the financial statements of Autism Society Canada (the Society), which comprise the statement of financial position as at December 31, 2019, and the statements of changes in net assets, revenues and expenditures and cash flow 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 December 31, 2019, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2019, current assets and net assets as at December 31, 2019. Our audit opinion on the financial statements for the year ended December 31, 2018 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 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 those 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 Canadian accounting standards for not-for-profit organizations, 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 relating 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)

James B. MacNeill FCPA, FCA, CFP Jeremy A. Giles CPA, CA Lissa Savage CPA, CA
Mark Snyders CPA, CA Robert F. Edmundson CPA, CA (Retired)

INDEPENDENT AUDITOR'S REPORT *(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.

London, Ontario
May 28, 2020

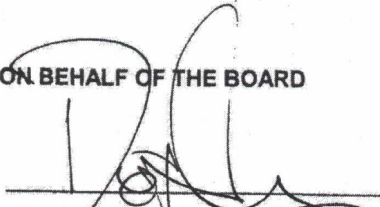
MacNeill Edmundson
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

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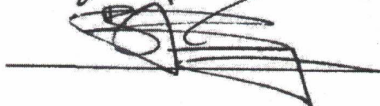
AUTISM SOCIETY CANADA
Statement of Financial Position
December 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 178,011	\$ 161,322
Marketable securities	73,288	50,625
Accounts receivable	43,912	32,762
Harmonized sales tax recoverable	13,323	3,231
Prepaid expenses	2,660	2,660
	\$ 311,194	\$ 250,600
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 33,007	\$ 11,962
Deferred revenue (Note 3)	28,999	-
	62,006	11,962
NET ASSETS		
Unrestricted	244,396	233,846
Internally restricted	4,792	4,792
	249,188	238,638
	\$ 311,194	\$ 250,600

ON BEHALF OF THE BOARD



Director



Director

AUTISM SOCIETY CANADA
Statement of Changes in Net Assets
Year Ended December 31, 2019

	Unrestricted	Internally Restricted	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 233,846	\$ 4,792	\$ 238,638	\$ 220,473
Excess of revenues over expenditures	10,550	-	10,550	18,165
NET ASSETS - END OF YEAR	\$ 244,396	\$ 4,792	\$ 249,188	\$ 238,638

AUTISM SOCIETY CANADA
Statement of Revenues and Expenditures
Year Ended December 31, 2019

	2019	2018
REVENUES		
Grants	\$ 306,866	\$ 84,864
Donations	229,976	197,104
Events	6,000	-
Investment income	1,257	489
Merchandise sales	600	9,169
Supporting membership dues	75	225
	<u>544,774</u>	<u>291,851</u>
EXPENDITURES		
Salaries and wages	318,453	201,495
Project expenses	139,571	-
Office	32,002	18,591
Travel	15,188	1,634
Professional fees	10,300	5,251
Consulting	4,816	13,139
Advertising and promotion	4,712	14,602
Website	4,228	2,416
Insurance	3,013	2,776
Meals and entertainment	788	235
Interest and bank charges	483	362
Translation	344	4,265
Training	170	-
Advisory council and committees	156	-
Director expenses	-	7,832
Advocacy	-	1,088
	<u>534,224</u>	<u>273,686</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 10,550</u>	<u>\$ 18,165</u>

AUTISM SOCIETY CANADA
Statement of Cash Flow
Year Ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 10,550	\$ 18,165
Changes in non-cash working capital:		
Accounts receivable	(11,150)	(27,187)
Accounts payable and accrued liabilities	21,044	(8,708)
Deferred revenue	28,999	(10,000)
Prepaid expenses	-	618
Harmonized sales tax recoverable	(10,092)	5,021
	<u>28,801</u>	<u>(40,256)</u>
Cash flow from (used by) operating activities	<u>39,351</u>	<u>(22,091)</u>
INVESTING ACTIVITY		
Purchase of marketable securities	<u>(22,662)</u>	<u>(15,537)</u>
INCREASE (DECREASE) IN CASH FLOW	16,689	(37,628)
Cash - beginning of year	<u>161,322</u>	<u>198,950</u>
CASH - END OF YEAR	<u>\$ 178,011</u>	<u>\$ 161,322</u>

AUTISM SOCIETY CANADA
Notes to Financial Statements
Year Ended December 31, 2019

DESCRIPTION OF OPERATIONS

Autism Society Canada (the "society", operating as Autism Canada) was founded in 1976 and incorporated without share capital under the Canada Corporations Act. On May 28, 2015 the Society amalgamated with Autism Canada Foundation under Section 208 of the Canada Not-for-profit Corporations Act.

The society is a hub of knowledge and understanding about autism spectrum disorders, and its mandate is to work collaboratively with provincial and territorial organizations to champion priorities and advocate for Canadians living with autism; curate the exchange of information between individuals with autism spectrum disorders, families, professionals, researchers, governments and the public; and, share best practices and programs.

The society is a registered charity and accordingly, is exempt from income taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Revenue recognition

Autism Society Canada follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Contributed services

Volunteers contribute a significant amount of their time each year. Contributed services are only recognized in the financial statements when a fair value can be reasonably estimated and when the services are used in the normal course of the organization's operations and would otherwise have been purchased.

Internally restricted net assets

The society has internally restricted net assets. The internally restricted awards are comprised of funds received to award bursaries in the memory of Warren Lowe and scholarships in memory of Dr. Peter Zwack, former president of the society. These funds are restricted for the award of bursaries and scholarships to persons with autism, and are not otherwise available to be used in the operations of the society.

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AUTISM SOCIETY CANADA
Notes to Financial Statements
Year Ended December 31, 2019

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

Measurement uncertainty

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

Marketable securities

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of excess of revenues over expenses.

2. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework in place to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration. There have been no significant change to the nature or concentration of these risks from the prior year, unless otherwise noted.

In the opinion of management, the society is not exposed to significant credit, liquidity, currency, or other price risks arising from its financial instruments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The society is exposed to market risk with its marketable securities.

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 marketable securities.

3. DEFERRED REVENUE

The society received a \$116,000 government grant to be spent on Performance and Accountability Framework Operating Funding project. To date, revenue totalling \$87,000 has been recognized and is included in the grant revenue. The remaining funds of \$29,000 will be spent and recognized as revenue in the subsequent year.

AUTISM SOCIETY CANADA
Notes to Financial Statements
Year Ended December 31, 2019

4. SUBSEQUENT EVENTS

The recent outbreak of Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Society or its donors, employees, contractors, suppliers, and other partners may be unable to provide services for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the Society's services, the continued spread of COVID-19 and the measures taken by the federal, provincial, and municipal governments to contain its impact could adversely impact the Society's services, financial condition or results of operations.

Specifically, the Society has so far experienced some reduction in donations from its donors. As a result, the Society is anticipating a significant reduction in revenue in fiscal 2020. To offset these expected revenue decreases, the Society has reviewed its expenses, and deferred or reduced those expenses where possible. The Society also plans to apply for the government programs and subsidies for which it qualifies.

The extent to which the COVID-19 outbreak impacts the Society's future financial results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.
