

Financial Statements of

**AUTISM SOCIETY ONTARIO**

And Independent Auditors' Report thereon

Year ended March 31, 2021



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## INDEPENDENT AUDITORS' REPORT

To the Members of Autism Society Ontario

### **Qualified Opinion**

We have audited the financial statements of Autism Society Ontario (the Entity), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of revenue and expenses for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "**Basis for Qualified Opinion**" section of our auditors' report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Entity derives revenue from 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 Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at March 31, 2021 and March 31, 2020
- the donations revenue and excess of revenues over expenses reported in the statements of revenue and expenses for the years ended March 31, 2021 and March 31, 2020



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- the fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances for the years ended March 31, 2021 and March 31, 2020
- the excess of revenues over expenses reported in the statements of cash flows for the years ended March 31, 2021 and March 31, 2020

Our opinion on the financial statements for the year ended March 31, 2020 was qualified accordingly because of the possible effects of this limitation in scope.

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 auditors' report.

We are independent of the Entity 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***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.



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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 the 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 Entity'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 Entity'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 Entity 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.



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- 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.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

August 19, 2021

# AUTISM SOCIETY ONTARIO

## Statement of Financial Position

March 31, 2021, with comparative information for 2020

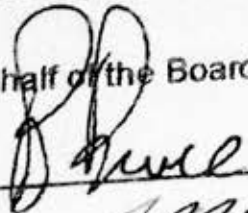
			2021	2020
	Provincial office	Chapters	Total	Total
<b>Assets</b>				
Current assets:				
Cash and cash equivalents (note 2)	\$ 6,543,257	\$ 2,364,453	\$ 8,907,710	\$ 7,059,638
Amounts receivable	393,935	112,863	506,798	494,081
Short-term investments (note 3)	—	214,479	214,479	297,751
Prepaid expenses and other assets	45,971	—	45,971	34,959
	<u>6,983,163</u>	<u>2,691,795</u>	<u>9,674,958</u>	<u>7,886,429</u>
Capital assets (note 4)	64,622	196	64,818	38,911
Intangible asset (note 5)	115,504	—	115,504	183,844
	<u>\$ 7,163,289</u>	<u>\$ 2,691,991</u>	<u>\$ 9,855,280</u>	<u>\$ 8,109,184</u>


## Liabilities and Fund Balances

Current liabilities:				
Accounts payable and accrued liabilities (notes 6 and 9)	\$ 2,464,626	\$ 42,844	\$ 2,507,470	\$ 2,494,833
Deferred membership fees (note 7)	17,496	—	17,496	23,095
	<u>2,482,122</u>	<u>42,844</u>	<u>2,524,966</u>	<u>2,517,928</u>
Deferred membership fees (note 7)	1,750	—	1,750	1,625
Deferred capital contributions (note 8)	154,593	—	154,593	171,588
Fund balances:				
Unrestricted	2,104,276	2,067,423	4,171,699	3,833,644
Restricted	2,420,548	581,724	3,002,272	1,584,399
	<u>4,524,824</u>	<u>2,649,147</u>	<u>7,173,971</u>	<u>5,418,043</u>
Lease commitments (note 10)				
	<u>\$ 7,163,289</u>	<u>\$ 2,691,991</u>	<u>\$ 9,855,280</u>	<u>\$ 8,109,184</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

# AUTISM SOCIETY ONTARIO

## Statement of Revenue and Expenses

Year ended March 31, 2021, with comparative information for 2020

	Provincial office		Chapters		2021	2020
	Unrestricted Fund	Restricted Fund	Unrestricted Fund	Restricted Fund	Total	Total
<b>Revenue:</b>						
Amortization of deferred capital contributions	\$ -	\$ 88,614	\$ -	\$ -	\$ 88,614	\$ 42,425
Charitable gaming	-	250,842	-	92,847	343,689	397,742
Donations	249,148	99,009	299,454	24,235	671,846	602,956
Educational materials	35,233	-	2,766	-	37,999	18,854
Events and fundraising	-	-	127,815	-	127,815	856,863
Foundation grants	85,000	239,369	-	324,625	648,994	667,180
Investment income	16,388	-	6,684	-	23,072	14,151
Membership fees (note 7)	34,425	-	-	-	34,425	63,279
Ministry of Children, Community and Social Services ("MCCSS") grants (note 9)	-	6,612,381	-	11,500	6,623,881	6,338,660
Programs	10,509	-	-	-	10,509	508,868
Scholarship fund - education	-	13,846	-	-	13,846	5,177
	430,703	7,304,061	436,719	453,207	8,624,690	9,516,155
<b>Expenses:</b>						
Amortization (notes 4 and 5)	20,348	88,614	216	-	109,178	56,302
Charitable gaming	567	138,034	-	31,804	170,405	201,735
Events and fundraising	27,028	-	17,277	-	44,305	225,155
MCCSS grants (note 9)	-	5,329,361	-	11,500	5,340,861	6,338,660
Occupancy	-	-	95,908	-	95,908	120,438
Office	4,332	4,153	21,934	-	30,419	44,925
Professional fees	91,092	6,445	2,900	-	100,437	117,257
Programs, services and publications	2,739	187,597	82,090	147,028	419,454	527,254
Salaries and benefits	10,100	148,608	152,836	235,251	546,795	562,178
Scholarship fund	-	11,000	-	-	11,000	12,500
Seminars and meetings	-	-	-	-	-	6,795
	156,206	5,913,812	373,161	425,583	6,868,762	8,213,199
<b>Excess of revenue over expenses</b>	<b>\$ 274,497</b>	<b>\$ 1,390,249</b>	<b>\$ 63,558</b>	<b>\$ 27,624</b>	<b>\$ 1,755,928</b>	<b>\$ 1,302,956</b>

See accompanying notes to financial statements.

# AUTISM SOCIETY ONTARIO

## Statement of Changes in Fund Balances

Year ended March 31, 2021, with comparative information for 2020

	Provincial office		Chapters		2021	2020
	Unrestricted Fund	Restricted Fund	Unrestricted Fund	Restricted Fund	Total	Total
Fund balances, beginning of year	\$ 1,829,779	\$ 1,030,299	\$ 2,003,865	\$ 554,100	\$ 5,418,043	\$ 4,115,087
Excess of revenue over expenses	274,497	1,390,249	63,558	27,624	1,755,928	1,302,956
Fund balances, end of year	\$ 2,104,276	\$ 2,420,548	\$ 2,067,423	\$ 581,724	\$ 7,173,971	\$ 5,418,043

See accompanying notes to financial statements.



# AUTISM SOCIETY ONTARIO

## Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 1,755,928	\$ 1,302,956
Items not involving cash:		
Amortization	109,178	56,302
Accrued interest on investments	–	(5,121)
Amortization of deferred capital contributions	(88,614)	(42,425)
Change in non-cash operating working capital:		
Amounts receivable	(12,717)	(131,278)
Prepaid expenses and other assets	(11,012)	(656)
Accounts payable and accrued liabilities	12,637	1,761,922
Deferred membership fees	(5,474)	(15,970)
Deferred donations and grants	–	(24,000)
	1,759,926	2,901,730
Financing activities:		
Deferred capital contributions received	71,619	106,355
Investing activities:		
Decrease in short-term investments, net	83,272	–
Purchase of capital assets	(66,745)	(119,830)
	16,527	(119,830)
Increase in cash and cash equivalents	1,848,072	2,888,255
Cash and cash equivalents, beginning of year	7,059,638	4,171,383
Cash and cash equivalents, end of year	\$ 8,907,710	\$ 7,059,638

See accompanying notes to financial statements.

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements

Year ended March 31, 2021

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Autism Society Ontario (the "Organization") is a provincial charitable organization that was incorporated without share capital under the laws of the Province of Ontario for charitable purposes. The Organization is a not-for-profit organization and, as such, is exempt from income taxes under Section 149(1)(f) of the Income Tax Act (Canada). The mission of the Organization is to create a supportive and inclusive Ontario for autism.

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

### (a) Fund accounting:

The Organization follows the restricted fund method of accounting for contributions. The Organization ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purposes for which they were provided.

For financial reporting purposes, the accounts have been classified into the following funds:

#### (i) Unrestricted Fund:

The Unrestricted Fund accounts for the Organization's general programs, fundraising and administrative activities. The Unrestricted Fund reports unrestricted resources available for immediate purposes.

#### (ii) Restricted Fund:

The Restricted Fund consists of those funds where resources are to be used for an identified purpose as specified by the donors and funders.

### (b) Revenue recognition:

Unrestricted contributions are recognized as revenue of the Unrestricted Fund and externally restricted contributions for specific purposes are recognized as revenue of the Restricted Fund in the year in which the contributions are received or receivable if collectibility can be reasonably assured.

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

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## 1. Significant accounting policies (continued):

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a systematic basis, at a rate corresponding with the amortization rate of the related capital assets.

Annual memberships are recognized into revenue on a monthly basis over the term of the memberships.

### (c) Capital assets:

Purchased capital assets are recorded at cost. Donated capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Amortization is recorded over the estimated useful lives of the assets at the following bases and annual rates:

Asset	Basis	Rate
Computer equipment	Declining balance	50%
Furniture and fixtures	Declining balance	50%
Leasehold improvements	Straight line	Term of lease

### (d) Intangible asset:

Intangible asset consists of a website, which is amortized on a straight-line basis over the estimated useful life of 3 years. The intangible asset is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

### (e) Donated services:

The work of the Organization is dependent on the voluntary services of the community. Since these services are not normally purchased by the Organization and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

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## 1. Significant accounting policies (continued):

### (f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

It is management's opinion that there is no exposure to significant amounts of credit, interest or foreign exchange risk, inclusive of COVID-19.

### (g) Cash and cash equivalents:

Cash and cash equivalents consist of cash on deposit and cashable guaranteed investment certificates ("GICs"). GICs are recorded at cost plus accrued interest.

### (h) Allocation of expenses:

The Organization allocates certain expenses on the statement of operations to the MCCSS grants expenses. The allocation is based on estimated allocation of resources to support the programs funded by MCCSS. The basis of allocation varies depending on the nature of the expense and includes estimates of time spent, material costs and usage of certain resources.

### (i) Use of estimates:

The preparation of financial statements 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 reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

## 2. Cash and cash equivalents:

	2021	2020
Cash	\$ 8,577,706	\$ 6,527,520
Cashable GICs	330,004	532,118
	<u>\$ 8,907,710</u>	<u>\$ 7,059,638</u>

Cashable GICs bear interest at 0.3% (2020 - 0.50% and 0.70%) maturing March 2022 (2020 - March 2021 to 2022).

## 3. Investments:

Investments consist of cashable GICs with maturity dates and early redemption dates greater than 90 days and less than one year and locked-in guaranteed investment certificates ("Locked-In GICs") with maturities less than one year. The investments bear interest at a rate of 0.75% (2020 - 1.75%).

## 4. Capital assets:

			2021	2020
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 165,800	\$ 100,982	\$ 64,818	\$ 38,875
Furniture and fixtures	5,738	5,738	–	36
Leasehold improvements	80,302	80,302	–	–
	<u>\$ 251,840</u>	<u>\$ 187,022</u>	<u>\$ 64,818</u>	<u>\$ 38,911</u>

Amortization expense for the year amounted to \$34,601 (2020 - \$19,533).

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

## 5. Intangible asset:

	2021	2020
Website, net of accumulated amortization of \$111,346 (2020 - \$36,769)	\$ 115,504	\$ 183,844

Amortization expense for the year amounted to \$74,577 (2020 - \$36,769).

## 6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at March 31, 2021 are government remittances payable of \$ 46,142 (2020 - \$36,931) relating to payroll-related taxes.

## 7. Deferred membership fees:

Deferred membership fees represent monies received from members in conjunction with memberships.

			2021	2020
	Lifetime membership fees	Annual membership fees	Total	Total
Balance, beginning of year	\$ 3,550	\$ 21,170	\$ 24,720	\$ 40,690
Amounts received	2,650	26,301	28,951	47,309
Amounts recognized into revenue	-	(34,425)	(34,425)	(63,279)
Balance, end of year	6,200	13,046	19,246	24,720
Less current portion of deferred membership fees	4,450	13,046	17,496	23,095
Long-term deferred membership fees	\$ 1,750	\$ -	\$ 1,750	\$ 1,625

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

## 8. Deferred capital contributions:

	2021	2020
Balance, beginning of year	\$ 171,588	\$ 107,658
Contribution received	71,619	106,355
	243,207	214,013
Less amounts amortized to revenue	88,614	42,425
	\$ 154,593	\$ 171,588

## 9. Ministry of Children, Community and Social Services:

	2021	2020
Funding received:		
Potential program	\$ —	\$ 1,800,000
Summer camps and March Break program	2,470,600	1,408,000
Provider list	231,811	292,985
ABACUS website	—	120,000
Navigation service	4,732,749	3,666,679
Support services - Niagara chapter	11,500	11,500
French translation	44,188	24,450
	7,490,848	7,323,614
Less funding:		
Used to purchase capital assets (note 8)	71,619	106,355
To be returned (included in accounts payable and accrued liabilities)	795,348	878,599
	866,967	984,954
	\$ 6,623,881	\$ 6,338,660
Expenses:		
Potential program	\$ —	\$ 1,291,908
Summer camps and March Break program	585,773	1,014,645
ABACUS website	—	70,274
Navigation service	4,467,589	3,632,898
Provider list	231,811	292,985
Support services - Niagara chapter	11,500	11,500
French translation	44,188	24,450
	\$ 5,340,861	\$ 6,338,660

# AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2021

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## 9. Ministry of Children, Community and Social Services (continued):

The Organization has allocated expenses relating to MCCSS programs as follows:

	2021	2020
Occupancy	\$ 85,885	\$ 73,288
Office	200,582	327,647
Salaries and benefits	3,121,555	3,507,590
	<hr/>	<hr/>
	\$ 3,408,022	\$ 3,908,525

## 10. Lease commitments:

The Organization is committed under lease obligations for premises and office equipment with approximate annual rentals as follows:

2022	\$ 34,707
2023	5,371
2024	3,360
2025	3,360
2026	2,520
	<hr/>
	\$ 49,318

## 11. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.