

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

**Financial Statements**

**Year Ended March 31, 2014**

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

**Index to Financial Statements**

**Year Ended March 31, 2014**

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	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenditures	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
General Operations ( <i>Schedule 1</i> )	9
Fundraising Activities ( <i>Schedule 2</i> )	10

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Autism Society of Newfoundland and Labrador Inc., which comprise the statement of financial position as at March 31, 2014 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

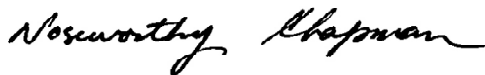
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, Autism Society of Newfoundland and Labrador Inc. derives revenue from fundraising activities, 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 Autism Society of Newfoundland and Labrador Inc. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures, current assets and net assets.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Autism Society of Newfoundland and Labrador Inc. as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.



Chartered Accountants  
St. John's, NL  
September 16, 2014

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Financial Position****March 31, 2014**

	General Fund 2014	Autism Centre Fund (Note 7) 2014	2014	2013
<b>ASSETS</b>				
Current				
Cash	\$ 368,027	\$ -	\$ 368,027	\$ 248,629
Investments (Note 4)	372,738	344,994	717,732	710,843
Accounts receivable	59,607	-	59,607	82,179
Inventory (Note 5)	21,005	-	21,005	20,011
Prepaid expenses	26,281	-	26,281	25,859
	847,658	344,994	1,192,652	1,087,521
CAPITAL ASSETS (Note 6)	33,743	1,249,885	1,283,628	1,339,388
	\$ 881,401	\$1,594,879	\$2,476,280	\$2,426,909
<b>LIABILITIES</b>				
Current				
Accounts payable	\$ 63,979	\$ -	\$ 63,979	\$ 66,508
Government remittances payable	25,748	-	25,748	24,986
Deferred contributions	71,522	-	71,522	22,622
	161,249	-	161,249	114,116
<b>NET ASSETS</b>				
Unrestricted net assets	686,409	-	686,409	609,312
Investment in capital assets	33,743	1,249,885	1,283,628	1,339,388
Restricted net assets (Note 7)	-	344,994	344,994	364,093
	720,152	1,594,879	2,315,031	2,312,793
	\$ 881,401	\$1,594,879	\$2,476,280	\$2,426,909

ON BEHALF OF THE BOARD:

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

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Changes in Net Assets****Year Ended March 31, 2014**

	Unrestricted Net Assets	Investment in Capital Assets	Restricted Net Assets	2014	2013
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 609,312	\$ 1,339,388	\$ 364,093	<b>\$ 2,312,793</b>	\$ 2,226,288
Excess of revenue over expenditures	2,238	-	-	<b>2,238</b>	86,505
Capital asset additions	(2,824)	27,416	(24,592)	-	-
Investment income	(5,493)	-	5,493	-	-
Amortization	83,176	(83,176)	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 686,409</b>	<b>\$ 1,283,628</b>	<b>\$ 344,994</b>	<b>\$ 2,315,031</b>	<b>\$ 2,312,793</b>

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Revenues and Expenditures****Year Ended March 31, 2014**

	2014	2013
<b>REVENUE</b>		
General Operations ( <i>Schedule 1</i> )	\$ 1,041,243	\$ 1,205,727
Fundraising Activities ( <i>Schedule 2</i> )	581,662	470,711
	<b>1,622,905</b>	1,676,438
<b>EXPENDITURES</b>		
General Operations ( <i>Schedule 1</i> )	1,467,291	1,498,672
Fundraising Activities ( <i>Schedule 2</i> )	164,990	105,094
	<b>1,632,281</b>	1,603,766
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FROM OPERATIONS</b>	<b>(9,376)</b>	72,672
<b>OTHER INCOME (EXPENSES)</b>		
Loss on disposal of assets	-	(3,309)
Interest income	11,614	17,139
	<b>11,614</b>	13,830
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 2,238</b>	<b>\$ 86,502</b>

See notes to financial statements

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Cash Flows****Year Ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from donations, grants and fundraising activities	\$ 1,693,070	\$ 1,518,997
Cash paid to suppliers and employees	(1,550,981)	(1,445,734)
Interest received	11,614	17,142
Cash flow from operating activities	<b>153,703</b>	90,405
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(27,416)	(74,160)
Proceeds on disposal of capital assets	-	125
Increase in investments	(6,889)	(12,404)
Cash flow used by investing activities	<b>(34,305)</b>	(86,439)
<b>INCREASE IN CASH</b>	<b>119,398</b>	3,966
Cash - beginning of year	<b>248,629</b>	244,663
<b>CASH - END OF YEAR</b>	<b>\$ 368,027</b>	<b>\$ 248,629</b>

# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2014

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### 1. DESCRIPTION OF BUSINESS

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 Newfoundland Corporations Act 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 (ASNFPPO).

#### 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 less accumulated amortization. Capital assets 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	10 years	straight-line method
Chapter assets	10 years	straight-line method
Library resources	10 years	straight-line method
Pavement	10 years	straight-line method

#### 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 method 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.

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# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2014

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

#### 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.

### 3. 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, 2014.

#### 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.

#### 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.

### 4. INVESTMENTS

Investments consist of short-term guaranteed investment certificates purchased through the Newfoundland and Labrador Credit Union with a market value of \$717,732 (2013 - \$710,843) earning interest at rates between 0.13% - 2.3%.

### 5. INVENTORY

	2014	2013
Donated item	\$ 10,500	\$ 10,500
Fundraising and restaurant supplies	10,505	9,511
	<b>\$ 21,005</b>	<b>\$ 20,011</b>

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# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2014

### 6. CAPITAL ASSETS

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Buildings	\$ 1,336,307	\$ 242,564	\$ 1,093,743	\$ 1,109,826
Motor vehicles	18,000	7,200	10,800	14,400
Equipment	239,564	190,463	49,101	68,316
Chapter assets	35,343	10,223	25,120	25,832
Library resources	79,267	38,819	40,448	48,286
Pavement	83,118	18,702	64,416	72,728
	<u>\$ 1,791,599</u>	<u>\$ 507,971</u>	<u>\$ 1,283,628</u>	<u>\$ 1,339,388</u>

### 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 consists 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.

### 8. ECONOMIC DEPENDENCE

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

### 9. 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 Operations***(Schedule 1)***Year Ended March 31, 2014**

	2014	2013
<b>REVENUE</b>		
Provincial government grant	\$ 507,574	\$ 675,129
Pantry sales	155,970	155,047
HRLE grant	143,000	143,000
Wage subsidy	124,625	70,863
Program fees	46,980	50,543
Other	8,551	10,394
United Way	26,833	23,540
Warehouse revenue	21,750	17,250
Training revenue	5,960	59,961
	<b>1,041,243</b>	<b>1,205,727</b>
<b>EXPENDITURES</b>		
Advertising and promotion	3,071	18,973
Amortization	83,176	93,722
Bad debts	1,306	8,324
Bank charges	1,482	559
Insurance	8,684	7,254
Office	45,231	39,559
Pantry food and supplies	61,526	41,844
Professional fees	11,308	10,052
Program expenses	60,896	116,218
Rental	49,522	47,446
Repairs and maintenance	20,468	28,097
Salaries and wages	1,036,519	969,600
Telephone	24,758	26,868
Training	29,838	53,044
Travel	11,871	17,113
Utilities	17,635	19,999
	<b>1,467,291</b>	<b>1,498,672</b>
<b>LOSS FROM OPERATIONS</b>	<b>\$ (426,048)</b>	<b>\$ (292,945)</b>

See notes to financial statements

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Fundraising Activities***(Schedule 2)***Year Ended March 31, 2014**

	2014	2013
<b>REVENUE</b>		
St. John`s spring gala	\$ 205,960	\$ 9,210
Donations	162,121	112,904
Other fundraising	88,275	102,764
Active for Autism Walk	52,093	63,577
Targa revenue	40,279	110,509
Motorcycle ride for Autism	25,540	34,741
Product sales	7,394	16,211
Grand Falls fall gala	-	13,109
Christmas raffle	-	7,686
	<b>581,662</b>	<b>470,711</b>
<b>EXPENDITURES</b>		
St. John's spring gala	51,272	-
Other fundraising	84,881	65,962
Active for Autism Walk	8,215	6,889
Targa expenses	5,968	12,025
Motorcycle ride for Autism	14,654	10,795
Grand Falls fall gala	-	6,722
Christmas raffle	-	2,701
	<b>164,990</b>	<b>105,094</b>
<b>INCOME FROM FUNDRAISING</b>	<b>\$ 416,672</b>	<b>\$ 365,617</b>