


**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**  
**Financial Statements**  
**Year Ended March 31, 2017**



**HARRIS RYAN**



**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**  
**Index to Financial Statements**  
**Year Ended March 31, 2017**

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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 - 9
General and Administration Expenses ( <i>Schedule 1</i> )	10

# HARRIS RYAN

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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, 2017 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.

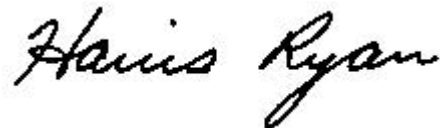
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the society derives revenue from fundraising activities and donations, the completeness of which is not susceptible to 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 fundraising revenue, excess of revenue over expenses, 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 the Autism Society of Newfoundland and Labrador inc. as at March 31, 2017 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.



St. John's, Newfoundland and Labrador  
August 28, 2017

CHARTERED PROFESSIONAL ACCOUNTANTS

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.**  
**Statement of Financial Position**  
**March 31, 2017**

	Autism Centre Fund (note 6) 2017	General Fund 2017	Internally restricted fund 2017	2017	2016
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash	\$ -	\$ 226,639	\$ -	\$ 226,639	\$ 227,258
Accounts receivable	-	77,861	-	77,861	107,457
Inventory (Note 4)	-	10,699	-	10,699	10,857
Prepaid expenses	-	30,642	-	30,642	35,081
Investments (Note 3)	447,154	-	294,443	741,597	733,316
	447,154	345,841	294,443	1,087,438	1,113,969
<b>CAPITAL ASSETS (Note 5)</b>	1,148,270	20,180	-	1,168,450	1,233,901
	\$ 1,595,424	\$ 366,021	\$ 294,443	\$ 2,255,888	\$ 2,347,870
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT</b>					
Accounts payable	\$ -	\$ 47,740	\$ -	\$ 47,740	\$ 50,275
Government remittances payable	-	18,988	-	18,988	16,948
Funds held and owing to chapters	-	95,070	-	95,070	46,965
Deferred contributions	-	71,066	-	71,066	74,584
	-	232,864	-	232,864	188,772
<b>NET ASSETS</b>					
Unrestricted net assets	-	112,977	-	112,977	758,649
Investment in capital assets	1,148,270	20,180	-	1,168,450	1,233,901
Restricted net assets	447,154	-	-	447,154	166,548
Internally restricted net assets	-	-	294,443	294,443	-
	1,595,424	133,157	294,443	2,023,024	2,159,098
	\$ 1,595,424	\$ 366,021	\$ 294,443	\$ 2,255,888	\$ 2,347,870

**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, 2017**

	Unrestricted net assets	Investment in capital assets	Restricted net assets	Internally Restricted Fund	2017	2016
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 758,648	\$ 1,233,901	\$ 166,548	\$ -	<b>\$ 2,159,097</b>	\$ 2,240,623
Deficiency of revenue over expenses	(136,073)	-	-	-	<b>(136,073)</b>	(81,526)
Capital asset additions	-	21,643	(21,643)	-	-	-
Investment income	(2,249)	-	2,249	-	-	-
Amortization	87,094	(87,094)	-	-	-	-
Transfer to internally restricted fund	(294,443)	-	-	294,443	-	-
Transfer to restricted net assets	(300,000)	-	300,000	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 112,977	\$ 1,168,450	\$ 447,154	\$ 294,443	<b>\$ 2,023,024</b>	\$ 2,159,097

See notes to financial statements

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

**Statement of Revenues and Expenditures**

**For the Year Ended March 31, 2017**

	<b>2017</b>	<b>2016</b>
<b>REVENUE</b>		
Grants revenue	\$ 994,184	\$ 896,524
Fundraising revenue	531,655	651,925
Pantry revenue	169,263	174,343
Program revenue	89,595	124,829
	<b>1,784,697</b>	<b>1,847,621</b>
<b>EXPENSES</b>		
Fundraising expenses	134,540	129,241
Pantry expenses	144,886	147,574
Program expenses	92,773	121,661
Payroll expenses	1,131,034	1,038,747
General and administration expenses ( <i>Schedule 1</i> )	417,537	491,924
	<b>1,920,770</b>	<b>1,929,147</b>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<b>\$ (136,073)</b>	<b>\$ (81,526)</b>

See notes to financial statements

**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****Statement of Cash Flows****Year Ended March 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	\$ (136,073)	\$ (81,526)
Amortization of capital assets	87,093	101,160
	<b>(48,980)</b>	19,634
Changes in non-cash working capital:		
Accounts receivable	29,600	40,117
Inventory	158	(2,940)
Accounts payable	(2,535)	(21,927)
Prepaid expenses	4,439	7,773
Investments	(8,284)	(7,453)
Government remittances payable	2,040	(11,454)
Funds held and owing to chapters	48,105	(3,335)
Deferred contributions	(3,518)	(7,638)
	<b>70,005</b>	(6,857)
Cash flow from operating activities	<b>21,025</b>	12,777
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	(21,644)	(47,347)
Cash flow used by investing activity	<b>(21,644)</b>	(47,347)
<b>DECREASE IN CASH FLOW</b>	<b>(619)</b>	(34,570)
Cash - beginning of year	227,258	261,828
<b>CASH - END OF YEAR</b>	<b>\$ 226,639</b>	<b>\$ 227,258</b>

See notes to financial statements

# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2017

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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 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. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Land improvements	40 years	straight-line method
Buildings	5 years	straight-line method
Equipment	10 years	straight-line method
Motor vehicles	10 years	straight-line method
Computer equipment	10 years	straight-line method
Computer software	10 years	straight-line method

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# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2017

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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 \$741,597 (2016 - \$733,316). The guaranteed investment certificates are earning interest at rates between 1.85% and 2.30%

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### 4. INVENTORY

	2017	2016
Fundraising and restaurant supplies	\$ 10,699	\$ 10,857

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# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2017

### 5. CAPITAL ASSETS

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Buildings	\$ 1,380,879	\$ 345,099	\$ 1,035,780	\$ 1,065,191
Equipment	344,023	296,225	47,798	56,242
Motor vehicles	39,891	31,135	8,756	16,734
Resource library	82,838	61,483	21,355	29,024
Pavement	83,118	43,637	39,481	47,793
Chapter assets	36,371	21,091	15,280	18,917
	\$ 1,967,120	\$ 798,670	\$ 1,168,450	\$ 1,233,901

### 6. 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.

### 7. INTERNALLY RESTRICTED NET ASSETS

The Board has established an internally restricted fund. This fund can only be used for special projects that meet the objectives and align with the mission of the organization. During the year, it was resolved to transfer \$294,443 to this fund. Board approval is required prior to expenditures from this fund.

### 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. 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, 2017.

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# AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.

## Notes to Financial Statements

Year Ended March 31, 2017

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### 9. FINANCIAL INSTRUMENTS *(continued)*

#### 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.

#### 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.

#### 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.

#### 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.

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**AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR INC.****General and Administration Expenses****(Schedule 1)****Year Ended March 31, 2017**

	<b>2017</b>	<b>2016</b>
<b>EXPENSES</b>		
Annual general meeting	\$ 1,336	\$ 2,758
Advertising	725	7,225
Awareness	37,737	26,646
Website Fees	-	45
Postage	4,545	4,290
Bad debt	10,698	7,652
Bank charges	704	650
Cleaning	11,625	10,659
Copier	7,247	6,970
Credit card	13,383	16,735
Depreciation	87,093	101,160
Garbage collection	615	913
Gas	2,047	1,872
Insurance	11,553	11,426
Meals and entertainment	4,843	5,388
Miscellaneous	866	7,878
Office supplies	9,320	15,967
Payroll provider	3,672	3,626
Professional fees	82,274	98,257
Rent	51,504	51,257
Repairs and maintenance	12,316	47,853
Security monitoring	598	586
Telephone and internet	25,697	22,715
Training	3,386	9,169
Travel	23,221	16,802
Utilities	10,532	13,425
	<b>\$ 417,537</b>	<b>\$ 491,924</b>