

Financial Statements of

AUTISM SOCIETY ONTARIO

And Independent Auditors' Report thereon

Year ended March 31, 2022



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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, 2022
- 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, 2022, 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, 2022 and March 31, 2021
- the donations revenue and excess (deficiency) of revenues over expenses reported in the statements of revenue and expenses for the years ended March 31, 2022 and March 31, 2021



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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, 2022 and March 31, 2021
- the excess of revenues over expenses reported in the statements of cash flows for the years ended March 31, 2022 and March 31, 2021

Our opinion on the financial statements for the year ended March 31, 2021 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.



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

September 22, 2022

AUTISM SOCIETY ONTARIO

Statement of Financial Position

March 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents (note 2)	\$ 10,969,845	\$ 8,907,710
Amounts receivable	135,106	506,798
Prepaid expenses and other assets	65,248	45,971
	<u>11,170,199</u>	<u>9,460,479</u>
Investments (note 3)	—	214,479
Capital assets (note 4)	32,409	64,818
Intangible asset (note 5)	40,927	115,504
	<u>\$ 11,243,535</u>	<u>\$ 9,855,280</u>

Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued liabilities (notes 6 and 9)	\$ 3,771,944	\$ 2,507,470
Deferred membership fees (note 7)	11,074	17,496
	<u>3,783,018</u>	<u>2,524,966</u>
Deferred membership fees (note 7)	600	1,750
Deferred capital contributions (note 8)	63,251	154,593
Fund balances:		
Unrestricted	4,415,693	4,171,699
Restricted	2,980,973	3,002,272
	<u>7,396,666</u>	<u>7,173,971</u>
Lease commitments (note 10)		
	<u>\$ 11,243,535</u>	<u>\$ 9,855,280</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, 2022, with comparative information for 2021

	2022		2021	
	Unrestricted Fund	Restricted Fund	Total	Total
Revenue:				
Ministry of Children, Community and Social Services ("MCCSS") grants (note 9)	\$ 6,361,678	\$ 6,361,678	\$ 6,361,678	\$ 6,623,881
Donations	527,361	1,124,609	1,651,970	671,846
Access Ontario Autism Program ("OAP") (note 11)	125,903	1,258,983	1,384,886	—
Foundation grants	94,131	386,370	480,501	648,994
Charitable gaming	—	374,803	374,803	343,689
Events and fundraising	148,926	10,932	159,858	127,815
Amortization of deferred capital contributions (note 8)	—	91,342	91,342	88,614
Programs	48,316	—	48,316	10,509
Membership fees (note 7)	31,242	—	31,242	34,425
Scholarship fund - education	—	11,570	11,570	13,846
Educational materials	8,770	—	8,770	37,999
Investment income	996	—	996	23,072
	985,645	9,620,287	10,605,932	8,624,690
Expenses:				
MCCSS grants (note 9)	—	7,739,513	7,739,513	5,340,861
Access OAP (note 11)	—	1,258,983	1,258,983	—
Salaries and benefits	402,295	254,381	656,676	546,795
Programs, services and publications	128,641	73,968	202,609	419,454
Charitable gaming	—	167,226	167,226	170,405
Occupancy	90,125	24,000	114,125	95,908
Amortization (notes 4 and 5)	15,645	91,341	106,986	109,178
Office	43,578	6,363	49,941	30,419
Professional fees	30,450	13,897	44,347	100,437
Events and fundraising	30,022	914	30,936	44,305
Scholarship fund	—	11,000	11,000	11,000
Seminars and meetings	895	—	895	—
	741,651	9,641,586	10,383,237	6,868,762
Excess (deficiency) of revenue over expenses	\$ 243,994	\$ (21,299)	\$ 222,695	\$ 1,755,928

See accompanying notes to financial statements.

AUTISM SOCIETY ONTARIO

Statement of Changes in Fund Balances

Year ended March 31, 2022, with comparative information for 2021

	2022		2021	
	Unrestricted Fund	Restricted Fund	Total	Total
Fund balances, beginning of year	\$ 4,171,699	\$ 3,002,272	\$ 7,173,971	\$ 5,418,043
Excess (deficiency) of revenue over expenses	243,994	(21,299)	222,695	1,755,928
Fund balances, end of year	\$ 4,415,693	\$ 2,980,973	\$ 7,396,666	\$ 7,173,971

See accompanying notes to financial statements.

AUTISM SOCIETY ONTARIO

Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 222,695	\$ 1,755,928
Items not involving cash:		
Amortization	106,986	109,178
Amortization of deferred capital contributions	(91,342)	(88,614)
Change in non-cash operating working capital:		
Amounts receivable	371,692	(12,717)
Prepaid expenses and other assets	(19,277)	(11,012)
Accounts payable and accrued liabilities	1,262,774	12,637
Deferred membership fees	(7,572)	(5,474)
Deferred donations and grants	1,700	—
	<u>1,847,656</u>	<u>1,759,926</u>
Financing activities:		
Deferred capital contributions received	—	71,619
Investing activities:		
Decrease in investments, net	214,479	83,272
Purchase of capital assets	—	(66,745)
	<u>214,479</u>	<u>16,527</u>
Increase in cash and cash equivalents	2,062,135	1,848,072
Cash and cash equivalents, beginning of year	8,907,710	7,059,638
Cash and cash equivalents, end of year	<u>\$ 10,969,845</u>	<u>\$ 8,907,710</u>

See accompanying notes to financial statements.

AUTISM SOCIETY ONTARIO

Notes to Financial Statements

Year ended March 31, 2022

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, 2022

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	Lesser of useful life and 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, 2022

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.

(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 revenue and expenses 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, 2022

2. Cash and cash equivalents:

	2022	2021
Cash	\$ 10,753,746	\$ 8,577,706
Cashable GICs	216,099	330,004
	<u>\$ 10,969,845</u>	<u>\$ 8,907,710</u>

3. Investments:

The investments bear interest at a rate of 0.75% and mature in May and June of 2022.

4. Capital assets:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 165,800	\$ 133,391	\$ 32,409	\$ 64,818
Furniture and fixtures	5,738	5,738	—	—
Leasehold improvements	80,302	80,302	—	—
	<u>\$ 251,840</u>	<u>\$ 219,431</u>	<u>\$ 32,409</u>	<u>\$ 64,818</u>

Amortization expense for the year amounted to \$32,409 (2021 - \$34,601).

5. Intangible asset:

	2022	2021
Website, net of accumulated amortization of \$185,923 (2021 - \$111,346)	\$ 40,927	\$ 115,504

Amortization expense for the year amounted to \$74,577 (2021 - \$74,577).

AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2022

6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at March 31, 2022 are government remittances payable of \$67,007 (2021 - \$46,142) relating to payroll-related taxes.

7. Deferred membership fees:

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

			2022	2021
	Lifetime membership fees	Annual membership fees	Total	Total
Balance, beginning of year	\$ 6,200	\$ 13,046	\$ 19,246	\$ 24,720
Amounts received	–	23,670	23,670	28,951
Amounts recognized into revenue	(4,450)	(26,792)	(31,242)	(34,425)
Balance, end of year	1,750	9,924	11,674	19,246
Less current portion of deferred membership fees	1,150	9,924	11,074	17,496
Long-term deferred membership fees	\$ 600	\$ –	\$ 600	\$ 1,750

8. Deferred capital contributions:

	2022	2021
Balance, beginning of year	\$ 154,593	\$ 171,588
Contribution received	–	71,619
	154,593	243,207
Less amounts amortized to revenue	91,342	88,614
	\$ 63,251	\$ 154,593

AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2022

9. Ministry of Children, Community and Social Services:

	2022	2021
Funding received:		
Summer camps and March Break program	\$ 2,210,710	\$ 2,470,600
Provider list	367,180	231,811
Navigation service	4,349,157	4,732,749
Support services - Niagara chapter	11,500	11,500
French translation	4,000	44,188
	<u>6,942,547</u>	<u>7,490,848</u>
Less funding:		
Used to purchase capital assets (note 8)	-	71,619
To be returned (included in accounts payable and accrued liabilities)	580,869	795,348
	<u>580,869</u>	<u>866,967</u>
	<u>\$ 6,361,678</u>	<u>\$ 6,623,881</u>
Expenses:		
Summer camps and March Break program	\$ 3,193,519	\$ 585,773
Navigation service	4,276,037	4,467,589
Provider list	254,457	231,811
Support services - Niagara chapter	11,500	11,500
French translation	4,000	44,188
	<u>\$ 7,739,513</u>	<u>\$ 5,340,861</u>

The Organization has allocated the following expenses relating to MCCSS programs:

	2022	2021
Occupancy	\$ 59,837	\$ 85,885
Office	199,761	200,582
Salaries and benefits	2,972,461	3,121,555
	<u>\$ 3,232,059</u>	<u>\$ 3,408,022</u>

AUTISM SOCIETY ONTARIO

Notes to Financial Statements (continued)

Year ended March 31, 2022

10. Lease commitments:

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

2023	\$ 113,656
2024	99,164
2025	99,164
2026	29,442
	<hr/>
	\$ 341,426

11. Access OAP:

On November 30, 2021, the MCCSS entered into a Transfer Payment Agreement ("TPA") with an unrelated corporation whereby this corporation will act as the Independent Intake Organization ("IIO") supporting the implementation of the needs-based Ontario Autism Program ("OAP"). This unrelated corporation acting as the IIO is providing a single point of contact to the OAP and is administering on behalf of the MCCSS the distribution of Core Clinic Services ("CCS") funding to families in the OAP. Funding for CCS and related operational expenditures are provided by the MCCSS to the IIO under the terms outlined in the TPA.

In connection with the above noted arrangement, the Organization entered into a service agreement with the IIO on November 30, 2021 to provide certain services required under the TPA on behalf of the IIO.

12. Comparative information:

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