

**AUTISM SOCIETY OF
NEWFOUNDLAND AND LABRADOR**

Financial Statements

Year Ended March 31, 2012

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR

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Year Ended March 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Members of Autism Society of Newfoundland and Labrador

We have audited the accompanying financial statements of Autism Society of Newfoundland and Labrador, which comprise the statement of financial position as at March 31, 2012 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 generally accepted accounting principles, 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 charitable organizations, the society derives revenue from cash donations the completeness of which is not susceptible of 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 contributions, excess of revenues 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 Autism Society of Newfoundland and Labrador as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Noseworthy Chapman

Chartered Accountants
St. John's, NL
September 18, 2012

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR

Statement of Financial Position

March 31, 2012

	General Fund 2012	Autism Centre Fund (Note 7) 2012	2012	2011
ASSETS				
CURRENT				
Cash	\$ 244,663	\$ -	\$ 244,663	\$ 105,316
Investments (Note 6)	274,370	424,069	698,439	786,515
Accounts receivable	56,724	-	56,724	83,640
Inventory (Note 7)	39,934	-	39,934	6,323
Prepaid expenses	22,182	-	22,182	31,402
	637,873	424,069	1,061,942	1,013,196
CAPITAL ASSETS (Note 8)	35,778	1,326,800	1,362,578	1,284,610
	\$ 673,651	\$ 1,750,869	\$ 2,424,520	\$ 2,297,806
LIABILITIES				
CURRENT				
Accounts payable	\$ 63,188	\$ -	\$ 63,188	\$ 46,291
Deferred income	135,041	-	135,041	103,710
	198,229	-	198,229	150,001
NET ASSETS				
Unrestricted net assets	439,644	-	439,644	321,688
Investment in capital assets	35,778	1,326,800	1,362,578	1,284,610
Restricted net assets (Note 9)	-	424,069	424,069	541,507
	475,422	1,750,869	2,226,291	2,147,805
	\$ 673,651	\$ 1,750,869	\$ 2,424,520	\$ 2,297,806

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR

Statement of Changes in Net Assets

Year Ended March 31, 2012

	Unrestricted Net Assets	Investment in Capital Assets	Restricted Net Assets	2012	2011
NET ASSETS - BEGINNING OF YEAR	\$ 321,690	\$ 1,284,610	\$ 541,507	\$ 2,147,807	\$ 2,065,025
Excess of revenue over expenditures	78,484	-	-	78,484	82,780
Capital asset additions	(35,438)	162,748	(127,310)	-	-
Investment income	(9,872)	-	9,872	-	-
Amortization	84,780	(84,780)	-	-	-
NET ASSETS - END OF YEAR	\$ 439,644	\$ 1,362,578	\$ 424,069	\$ 2,226,291	\$ 2,147,805

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR
Statement of Revenues and Expenditures
Year Ended March 31, 2012

	2012	2011
REVENUE		
General operations <i>(Schedule 1)</i>	\$ 998,351	\$ 856,258
Fundraising activities <i>(Schedule 2)</i>	430,110	377,240
	1,428,461	1,233,498
EXPENDITURES		
General operations <i>(Schedule 1)</i>	1,284,116	1,077,708
Fundraising activities <i>(Schedule 2)</i>	82,508	100,880
	1,366,624	1,178,588
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS	61,837	54,910
OTHER INCOME		
Interest income	16,647	20,777
Western Chapter <i>(Note 10)</i>	-	7,093
	16,647	27,870
EXCESS OF REVENUE OVER EXPENDITURES	\$ 78,484	\$ 82,780

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR
Statement of Cash Flows
Year Ended March 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Cash receipts from donations, grants and fundraising activities	\$ 1,487,265	\$ 1,238,916
Cash paid to suppliers and employees	(1,289,044)	(1,139,837)
Interest received	16,648	20,780
Interest and bank charges paid	(850)	(836)
Cash flow from operating activities	214,019	119,023
INVESTING ACTIVITIES		
Purchase of capital assets	(162,748)	(58,394)
Decrease (increase) in investments	88,076	(58,331)
Cash flow used by investing activities	(74,672)	(116,725)
INCREASE IN CASH	139,347	2,298
Cash - beginning of year	105,316	103,018
CASH - END OF YEAR	\$ 244,663	\$ 105,316

1. DESCRIPTION OF BUSINESS

The Autism Society of Newfoundland and Labrador (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

Future changes in significant accounting policies

The following accounting standards have been issued by the Canadian Institute of Chartered Accountants (CICA) but are not yet effective for the society. The society is currently evaluating the effect of adopting these standards, which it expects to do in fiscal year 2013.

The Accounting Standards Board implemented Part III of the CICA Handbook Accounting Standards for Not-for-Profit Organizations effective January 1, 2012. The society will be assessing the impact of the new standards on its financial statements over the next year. Early adoption is permitted for the new standards.

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
Equipment	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.

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.

(continues)

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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

Fair value

The society's carrying value of cash, investments, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

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 guaranteed investment certificates.

4. CAPITAL MANAGEMENT

The society's objective when managing capital is to ensure its ability to meet operating commitments as they become due. This is achieved primarily by continuously monitoring its actual and projected cash flows and making adjustments to capital as necessary.

5. AUTISM CENTRE FUND

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.

6. INVESTMENTS

Investments consist of short-term guaranteed investment certificates purchased through the Newfoundland and Labrador Credit Union with a market value of \$698,439 (2011 - \$786,515) earning interest at rates between 1.85% - 3.5%.

7. INVENTORY

	2012	2011
Donated item	\$ 31,500	\$ -
Fundraising and restaurant supplies	8,434	6,323
	\$ 39,934	\$ 6,323

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR**Notes to Financial Statements****Year Ended March 31, 2012****8. CAPITAL ASSETS**

	Cost	Accumulated amortization	2012 Net book value	2011 Net book value
Buildings	\$ 1,292,178	\$ 171,358	\$ 1,120,820	\$ 1,149,736
Equipment	247,977	139,815	108,162	102,731
Library resources	75,531	22,975	52,556	32,143
Pavement	83,118	2,078	81,040	-
	\$ 1,698,804	\$ 336,226	\$ 1,362,578	\$ 1,284,610

9. RESTRICTED NET ASSETS

Restricted net assets (Autism Centre Fund) 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.

10. WESTERN CHAPTER

During the prior year, a Corner Brook Parents Support Group became the Western Chapter of the Autism Society. Upon joining the society, the support group gave its fundraising efforts in the amount of \$7,093 to the Autism Society for support in establishing the new Western Chapter.

11. ECONOMIC DEPENDENCE

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

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR
General Operations
(Schedule 1)
Year Ended March 31, 2012

	2012	2011
REVENUE		
Provincial government grant	\$ 565,653	\$ 342,500
HRLE grant	143,000	194,290
Summer program grant	38,502	28,703
Pantry sales	156,922	145,311
Program fees	32,556	85,054
Training revenue	5,080	38,691
Program product sales	1,650	3,845
RMHC grant	27,191	-
PC grant	10,000	-
Other	17,797	17,864
	998,351	856,258
EXPENSES		
Advertising and promotion	11,640	3,763
Amortization	84,780	71,280
Bank charges	850	836
Insurance	8,060	6,181
Office	33,065	20,856
Pantry food and supplies	53,663	52,174
Professional fees	12,657	7,345
Program expenses	81,489	60,898
Rental	33,869	16,991
Repairs and maintenance	32,035	17,799
Salaries and wages	834,358	727,612
Telephone	16,409	11,975
Training	51,663	59,670
Travel	15,672	5,220
Utilities	12,102	13,327
Water taxes	1,804	1,781
	1,284,116	1,077,708
LOSS FROM OPERATIONS	\$ (285,765)	\$ (221,450)

See notes to financial statements

AUTISM SOCIETY OF NEWFOUNDLAND AND LABRADOR
Fundraising Activities
(Schedule 2)
Year Ended March 31, 2012

	2012	2011
REVENUE		
Donations	\$ 130,805	\$ 119,567
Active for Autism Walk	59,796	58,328
Targa revenue	81,518	58,308
Christmas raffle	15,117	28,622
St. John's spring gala	-	23,065
Grand Falls fall gala	12,218	16,526
Mustang car show	3,601	11,672
Motorcycle ride for Autism	36,554	10,688
Product Sales	14,936	10,202
Other fundraising	75,565	40,262
	430,110	377,240
EXPENSES		
Active for Autism Walk	4,687	4,033
Christmas raffle	10,289	17,756
Grand Falls fall gala	7,937	6,062
Motorcycle ride for Autism	5,690	2,775
Mustang car show	288	5,246
St. John's spring gala	-	7,727
Targa expenses	16,903	30,466
Other fundraising	36,714	26,815
	82,508	100,880
INCOME FROM FUNDRAISING	\$ 347,602	\$ 276,360

See notes to financial statements