

ACT - Autism Community Training Society

Financial Statements

December 31, 2016



Independent Auditor's Report

**To the Members of
ACT - Autism Community Training Society**

We have audited the accompanying financial statements of ACT - Autism Community Training Society, which comprise the statement of financial position as at December 31, 2016, and the statements of changes in net assets, operations, 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 Society'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 Society'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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ACT - Autism Community Training Society as at December 31, 2016, 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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

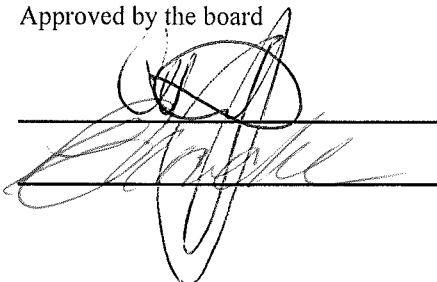
BBA Accounting Group Inc.

BBA Accounting Group Inc.
Chartered Professional Accountants
Vancouver, British Columbia
March 28, 2017

ACT - Autism Community Training Society
Statement of Financial Position

As at December 31,	2016	2015
ASSETS		
Current		
Cash	\$ 292,876	\$ 312,979
Term deposits	130,956	130,956
Accounts receivable	28,635	31,480
Inventory	-	890
Prepaid expenses	7,307	8,146
Term deposit held for MCFD special projects contributions, current portion	2,846,773	26,000
	3,306,547	510,451
Term deposit held for MCFD special projects contributions, long term portion	162,523	2,974,000
Property and equipment (note 3)	67,697	91,310
	\$ 3,536,767	\$ 3,575,761
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 19,428	\$ 26,579
Deferred Autism Speaks Canada grant (note 4)	-	7,274
Unearned workshop revenue	890	600
Capital lease obligation, current portion (note 5)	93	488
Deferred MCFD special projects contributions, current amounts (note 6)	2,952,883	233,675
Deferred MCFD CRM database revenue, current amount (note 7)	19,086	19,064
	2,992,380	287,680
Capital lease obligation (note 5)	-	93
MCFD special projects contributions (note 6)	162,523	2,966,726
Deferred MCFD CRM database revenue (note 7)	42,943	62,050
	3,197,846	3,316,549
NET ASSETS		
Invested in property and equipment	67,697	91,310
Unrestricted	171,224	67,902
Internally restricted	100,000	100,000
	338,921	259,212
	\$ 3,536,767	\$ 3,575,761

Approved by the board


 _____ Member
 _____ Member

ACT - Autism Community Training Society
Statement of Changes in Net Assets

For the year ended December 31, 2016

	Invested in property and equipment	Unrestricted	Internally restricted	Total 2016	Total 2015
Balance, beginning of year	\$ 91,310	\$ 67,902	\$ 100,000	\$ 259,212	\$ 258,877
Excess (deficiency) of revenues over expenditures	(23,613)	103,322	-	79,709	335
Balance, end of year	\$ 67,697	\$ 171,224	\$ 100,000	\$ 338,921	\$ 259,212

ACT - Autism Community Training Society
Statement of Operations

For the year ended December 31,	2016	2015
Revenues		
MCFD revenue	\$ 671,267	\$ 669,054
Revenue from workshops	339,772	266,772
MCFD special projects revenue (note 6)	189,402	182,500
Donations	19,626	15,651
MCFD CRM database revenue (note 7)	19,086	52,814
Event sponsorship income	14,500	5,500
Canada Student grant	9,768	2,755
Autism Speaks Canada grant (note 4)	7,274	17,726
Workshop book sale commission	6,592	5,398
Interest income	1,729	3,668
	1,279,016	1,221,838
Expenditures		
Salaries and related benefits	630,965	648,429
MCFD special projects expenses (note 6)	97,911	100,205
Workshop food and beverages	97,143	41,087
Rent	66,807	66,137
Workshop speaker fees	59,406	70,269
Website	48,592	38,404
Workshop equipment and facility rental	30,778	40,003
Bursary	27,005	24,133
Amortization	23,613	26,681
Printing and photocopying	18,776	38,372
Telephone and utilities	12,474	12,815
Workshop material	12,226	22,870
Office	10,309	11,305
Accounting and legal	9,436	7,420
Event video recording	7,988	-
Autism Speaks Canada grant expense (note 4)	7,274	17,726
Interest and bank charges	7,167	5,804
Community development	6,175	3,090
Postage and courier	5,740	15,108
Insurance	4,877	4,622
Board meetings	4,374	3,018
Advertising and promotion	2,959	1,822
Travel	2,724	15,147
Staff training and development	1,831	3,374
Workshop book purchases	890	4,818
RASP Panel	683	804
Repairs and maintenance	596	661
Foreign exchange loss (gain)	588	(2,621)
	1,199,307	1,221,503
Excess of revenues over expenditures	\$ 79,709	\$ 335

ACT - Autism Community Training Society
Statement of Cash Flows

For the year ended December 31,	2016	2015
Cash flows from operating activities		
Cash receipts MCFD monthly operating contract	\$ 670,320	\$ 668,354
Cash receipts MCFD special projects contracts (note 4)	64,000	3,355,000
Cash receipts from workshop registrations	308,975	238,041
Cash receipts Autism Speaks project (note 4)	-	25,000
Cash receipts from sponsorships	25,216	24,219
Cash receipts from donations and fundraising	19,625	15,551
Cash receipts from book sale commission	6,592	6,003
Cash receipts from interest and other revenue	48,454	5,132
Cash paid to suppliers and employees	(1,153,501)	(1,200,153)
	(10,319)	3,137,147
Cash flows from financing activity		
Repayment of capital lease obligation	(488)	(383)
Cash flows from investing activity		
Purchase of property and equipment	-	(35,291)
Increase (decrease) in cash and cash equivalents	(10,807)	3,101,473
Cash and cash equivalents, beginning of year	3,443,935	342,462
Cash and cash equivalents, end of year	\$ 3,433,128	\$ 3,443,935
Cash and cash equivalents consist of:		
Cash	\$ 292,876	\$ 312,979
Term deposits	130,956	130,956
Term deposits held for MCFD restricted contributions, current portion	2,846,773	26,000
Term deposits held for MCFD restricted contributions, long term portion	162,523	2,974,000
	\$ 3,433,128	\$ 3,443,935

1. NATURE OF OPERATIONS

ACT - Autism Community Training Society was incorporated under the B.C. Society Act on November 18, 2004. The purpose of ACT - Autism Community Training Society is to provide families and professionals with a wide range of positive and practical information on autism related topics. The goal of the Society is to enable parents, professionals and para-professionals to help children and adults with Autism Spectrum Disorder to live productive, satisfying lives within their families and communities. ACT - Autism Community Training Society is a registered charity for income tax and GST purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

The Society applies the Canadian accounting standards for not-for-profit enterprises.

(a) Revenue recognition

Revenue related to contracts with government bodies, in particular the Client Service Agreement with the B.C. Ministry of Children and Family Development ("MCFD") for general operating expenditures is recognized using the accrual basis.

Revenue from workshops is recognized when the related workshop has been completed.

Unrestricted contributions and other revenues are recognized on the accrual basis provided amounts to be received can be reasonably estimated and collection is reasonably assured.

Volunteers occasionally contribute services in kind to the Society. Because of the difficulty in determining the fair market value of such services, these contributions are not recognized in the financial statements.

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions for the purchase of property and equipment that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the property and equipment.

(b) Inventory, books available for resale

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

(c) Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line method. The annual amortization rates are as follows:

Office equipment	5 years
Computer equipment	3-5 years
Computer software	2 years
CRM Database	5 years
Asset under capital lease	4 years

ACT - Autism Community Training Society
Notes to the Financial Statements
December 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Management estimates

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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. PROPERTY AND EQUIPMENT

	2016		2015	
	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	\$ 98,082	\$ 93,393	\$ 4,689	\$ 8,172
Computer equipment	55,388	54,470	918	1,587
CRM Database	95,321	33,293	62,028	81,114
	248,791	181,156	67,635	90,873
Asset under capital lease	1,499	1,437	62	437
	\$ 250,290	\$ 182,593	\$ 67,697	\$ 91,310

4. DEFERRED AUTISM SPEAKS CANADA GRANT

In 2015, the Society received a \$25,000 grant from Autism Speaks Canada for the South Asian Autism Awareness Project. As of the end of 2016 the remaining balance of this grant has been spent.

	2016	2015
Opening balance	\$ 7,274	\$ -
Receipts and addition	-	25,000
Project disbursements	(7,274)	(17,726)
Closing balance	\$ -	\$ 7,274

5. CAPITAL LEASE OBLIGATION

	2016	2015
Capital lease contract with First Data for point of sale machine pledged as security (note 3), repayable in monthly installments of \$48 plus GST and PST including interest at 23.95% per annum with a maturity date of February 1, 2017.	\$ 93	\$ 581
Less current portion	93	488
	\$ -	\$ 93
Estimated principal repayments are as follows:		
2017	\$ 93	

6. MCFD SPECIAL PROJECTS CONTRIBUTIONS

MCFD Translation Project:

During the year, the Society received \$64,000 from MCFD to facilitate translation services of the Ministry Autism Handbook into Chinese, Punjabi, Arabic, Spanish, Korean, Japanese, French and Persian (Farsi). This project is expected to be completed in 2017.

Online Mental Health and ASD Project:

MCFD has provided this funding to help facilitate the online training of mental health professionals in issues unique to people on the ASD Spectrum in collaboration with the Continuing Professional Development Department of the Medical Faculty of the University of British Columbia. Expected completion date of the project is June 2017.

College of Psychologists Project:

The funds provided for this project are for two purposes:

(1) \$100,000 dispersed to the College of Psychologists in order to facilitate the entrance and regulation of Behaviour Consultants by the College. As of the end of 2015, the Society has dispersed these funds to the College.

(2) \$50,000 to be used by the Society to facilitate this process by providing analysis of the current membership of the Registered Autism Service Provider ("RASP") list with relation to those professionals on the RASP list who may become members of the College of Psychologists.

This project has been completed during the year.

Parent Coaching Project:

The goal of this project is to develop and evaluate over a three year period, a manualized parent-coaching early intervention research project for infants who are assessed as at risk for ASD.

MCFD distributed \$3.03 million to the Society during 2015 for purposes of this project. The Society will be managing the RFP process in collaboration with the project steering committee with representation from Ministry of Children and Family Development, the Pacific Autism Family Centre and the Michael Smith Foundation for Health Research.

The current portion of the restricted contributions is management's best estimate of what will be spent on each project in 2017.

ACT - Autism Community Training Society
Notes to the Financial Statements
December 31, 2016

	Handbook Translation Project	Online Mental Health and ADS Project	College of Psychologists Project	Parent Coaching Project	Total
Opening balance	\$ -	\$ 152,500	\$ 20,000	\$ 3,027,901	\$ 3,200,401
Receipts and additions	64,000	-	-	-	64,000
Interest income	-	-	-	40,407	40,407
Salaries and related benefits disbursements	-	(22,504)	(19,987)	(42,000)	(84,491)
Project disbursements	(19,829)	(71,284)	(13)	(6,785)	(97,911)
Other disbursements	-	-	-	(7,000)	(7,000)
Closing balance	44,171	58,712	-	3,012,523	3,115,406
Current portion	(44,171)	(58,712)	-	(2,850,000)	(2,952,883)
	\$ -	\$ -	\$ -	\$ 162,523	\$ 162,523

7. DEFERRED MCFD CRM DATABASE REVENUE

In 2014, the Society received \$150,000 from MCFD for the development of a new Client Relationship Management ("CRM") database. By the end of 2015, the Society had spent \$95,321 on the CRM database and \$42,999 for related support services. The amount spent on the development of the CRM database is being deferred and recognized as revenue on the same basis as the amortization expense of the database (note 3). Amortization expense for the database in 2016 is \$19,086 (2015 - \$14,207), and therefore, the amount included in deferred MCFD CRM database revenue at December 31, 2016 is \$62,028 as shown below.

	2016	2015
Opening balances	\$ 81,114	\$ 133,928
Receipts and additions	-	-
Payroll and other expenditures not capitalized	-	(26,927)
Transfer to unrestricted funds	-	(11,680)
Capital cost of the CRM Database	81,114	95,321
Annual amortization	(19,086)	(14,207)
Closing balance	\$ 62,028	\$ 81,114

ACT - Autism Community Training Society
Notes to the Financial Statements
December 31, 2016

7. DEFERRED MCFD CRM DATABASE REVENUE (continued)

	2016	2015
Deferred MCFD CRM database revenue	\$ 62,028	\$ 81,114
Current portion	(19,086)	(19,064)
Long term portion	\$ 42,942	\$ 62,050

8. ECONOMIC DEPENDENCE

ACT - Autism Community Training Society generates the majority of its revenues from its contract with MCFD. The current contract with MCFD expires on June 30, 2017. MCFD has indicated that the contract will not be renewed. Management has developed plans to continue operations for the foreseeable future without funding from MCFD. The scope of services provided by the Society in the future will be reduced accordingly.

9. RESTRICTED FUNDS

Externally restricted funds are restricted according to the wishes of the donor. The Society is accountable for these funds.

See note 4 and note 6 for funds restricted by the donors.

Internally restricted funds are restricted by resolution or determination of the Board of Directors as to how such funds should be spent.

In 2013, the Board of Directors passed a resolution to internally restrict \$100,000 for use in the event the MCFD funding is not renewed, and specifically to cover staff wages during transition period. Alternatively, the \$100,000 may be used for any other emergency or unforeseen expense at the discretion of the Board. There was no spending from this fund for the year ended December 31, 2016.

10. FINANCIAL INSTRUMENTS RISKS AND UNCERTAINTIES

The Society's financial instruments consist of cash, term deposits, accounts receivable, and accounts payable. The fair value of the instruments approximately their carrying values. Essentially all of the Society's cash and term deposits are held at one major credit union and earn interest at approximately 0.11% to 1.4%. The term deposits mature on July 12 and September 28, 2017.

Currency risk is the risk to the Society's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. US bank account balance with Vancity Credit Union was \$7,943 USD on December 31, 2016.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency, or credit risks arising from these financial statements.

11. COMMITMENTS

As at December 31, 2016, the Society occupies premises under a lease which expired January 31, 2017, and has been extended on a month to month basis indefinitely. In addition, ACT leases a photocopy machine. This lease is in effect from November 1, 2012 until October 31, 2017. Contracted lease payments in each fiscal year ending December 31 are as follows:

2017	\$ 8,197
------	----------

12. REMUNERATION AND FINANCIAL ASSISTANCE DISCLOSURE

The Society did not pay any remuneration to its directors in fiscal 2016. The Society paid \$82,676 to the Executive Director and did not pay any other employee or contractor remuneration in excess of \$75,000 in fiscal 2016.

The Society did not provide any financial assistance to any entity outside of the ordinary course of the Society's activities.

This disclosure is made in accordance with the new BC Societies Act.

13. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.