

**ACT - Autism Community Training Society**

**Financial Statements**

**December 31, 2017**



**BBA ACCOUNTING GROUP INC.**  
**Chartered Professional Accountants**

## **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, 2017, 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, 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.

### *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**  
**June 5, 2018**

**ACT - Autism Community Training Society**  
**Statement of Financial Position**

<b>As at December 31,</b>	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 234,303	\$ 254,777
Term deposits	230,956	130,956
Accounts receivable	17,953	28,635
Prepaid expenses	18,465	7,307
Cash and term deposit held for MCFD special projects contributions, current portion	945,604	1,042,592
	1,447,281	1,464,267
Cash and term deposit held for MCFD special projects contributions, long term portion	946,437	2,004,803
Property and equipment (note 3)	26,916	67,697
	\$ 2,420,634	\$ 3,536,767
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 35,605	\$ 19,428
Unearned workshop revenue	10,840	890
Capital lease obligation, current portion	-	93
Deferred MCFD special projects contributions, current amounts (note 4)	1,058,365	1,110,603
Deferred MCFD CRM database revenue, current amount (note 5)	9,532	19,086
	1,114,342	1,150,100
MCFD special projects contributions (note 4)	946,437	2,004,803
Deferred MCFD CRM database revenue (note 5)	11,939	42,943
	2,072,718	3,197,846
<b>NET ASSETS</b>		
Invested in property and equipment	26,916	67,697
Unrestricted	221,000	171,224
Internally restricted	100,000	100,000
	347,916	338,921
	\$ 2,420,634	\$ 3,536,767

Approved by the board

 Member  
 Member

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

**For the year ended December 31, 2017**

	<b>Invested in property and equipment</b>	<b>Unrestricted</b>	<b>Internally restricted</b>	<b>Total 2017</b>	<b>Total 2016</b>
<b>Balance, beginning of year</b>	\$ 67,697	\$ 171,224	\$ 100,000	\$ 338,921	\$ 259,212
Excess (deficiency) of revenues over expenditures	(45,181)	54,176	-	8,995	79,709
Purchase of property and equipment	5,100	(5,100)	-	-	-
Disposal of property and equipment	(700)	700	-	-	-
<b>Balance, end of year</b>	\$ 26,916	\$ 221,000	\$ 100,000	\$ 347,916	\$ 338,921



**ACT - Autism Community Training Society**  
**Statement of Operations**

<b>For the year ended December 31,</b>	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
MCFD special projects revenue	\$ 1,347,835	\$ 189,402
MCFD revenue	335,160	671,267
Revenue from workshops including MCFD workshop bursaries	242,980	339,772
MCFD CRM database revenue	40,557	19,086
Donations	32,606	19,626
Canada Student grant	7,703	9,768
Event sponsorship income	6,242	14,500
Workshop book sale commission	2,648	6,592
Interest income	2,282	1,729
Autism Speaks Canada grant	-	7,274
	<b>2,018,013</b>	<b>1,279,016</b>
<b>Expenditures</b>		
MCFD special projects expenses - contractor and other expenses (note 4)	1,181,808	97,911
Salaries and related benefits	422,150	630,965
Workshop speaker fees	68,277	59,406
Website	47,970	48,592
Rent	38,955	66,807
Workshop food and beverages	35,170	97,143
Bursary (note 4)	26,640	27,005
Event video recording	24,108	7,988
Amortization	23,325	23,613
Workshop equipment and facility rental	21,303	30,778
Telephone and utilities	14,243	12,474
Workshop material	12,127	12,226
Printing and photocopying	10,293	18,776
Board meetings	9,313	4,374
Accounting and legal	9,175	9,436
Advertising and promotion	7,182	2,959
Interest and bank charges	6,329	7,167
Travel	5,442	2,724
Office	5,145	10,309
Insurance	5,070	4,877
Consulting fees	4,601	-
Postage and courier	3,852	5,740
Repairs and maintenance	1,435	596
Staff training and development	1,253	1,831
Community development	1,167	6,175
Foreign exchange loss (gain)	830	588
Autism Speaks Canada grant expense	-	7,274
Workshop book purchases	-	890
RASP Panel	-	683
	<b>1,987,163</b>	<b>1,199,307</b>
<b>Excess of revenues over expenditures before other items</b>	<b>30,850</b>	<b>79,709</b>

**ACT - Autism Community Training Society**  
**Statement of Operations (continued)**

<b>For the year ended December 31,</b>	<b>2017</b>	<b>2016</b>
<b>Other expenses</b>		
Write down of CRM Database System (note 5)	<b>21,471</b>	-
Loss on disposal of property and equipment	<b>384</b>	-
	<b>21,855</b>	-
<b>Excess of revenues over expenditures</b>	<b>\$ 8,995</b>	<b>\$ 79,709</b>

**ACT - Autism Community Training Society**  
**Statement of Cash Flows**

<b>For the year ended December 31,</b>	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities</b>		
Cash receipts MCFD monthly operating contract	\$ 335,160	\$ 670,320
Cash receipts MCFD special projects contracts (note 4)	209,000	64,000
Cash receipts from workshop registrations	229,198	308,975
Cash receipts from sponsorships	13,945	25,216
Cash receipts from donations and fundraising	30,462	19,625
Cash receipts from book sale commission	1,539	6,592
Cash receipts from interest and other revenue	41,633	48,454
Cash paid to suppliers and employees for other than special projects	(584,437)	(964,099)
Cash paid on account of special projects	(1,347,835)	(189,402)
	<b>(1,071,335)</b>	<b>(10,319)</b>
<b>Cash flows from financing activity</b>		
Repayment of capital lease obligation	(93)	(488)
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(5,100)	-
Proceeds on disposal of property and equipment	700	-
	<b>(4,400)</b>	<b>-</b>
<b>Decrease in cash and cash equivalents</b>	<b>(1,075,828)</b>	<b>(10,807)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>3,433,128</b>	<b>3,443,935</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,357,300</b>	<b>\$ 3,433,128</b>
<b>Cash and cash equivalents consist of:</b>		
Cash	\$ 234,303	\$ 254,777
Term deposits	230,956	130,956
Term deposits held for MCFD restricted contributions, current portion	945,604	1,042,592
Term deposits held for MCFD restricted contributions, long term portion	946,437	2,004,803
	<b>\$ 2,357,300</b>	<b>\$ 3,433,128</b>

**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 organizations.

**(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) 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
CRM Database	5 years
Asset under capital lease	4 years

**(c) 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.



**ACT - Autism Community Training Society**  
**Notes to the Financial Statements**  
**December 31, 2017**

**3. PROPERTY AND EQUIPMENT**

	2017		2016	
	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	\$ 15,783	\$ 13,376	\$ 2,407	\$ 4,689
Computer equipment	9,931	9,931	-	918
CRM Database	51,036	26,527	24,509	62,028
	76,750	49,834	26,916	67,635
Asset under capital lease	-	-	-	62
	\$ 76,750	\$ 49,834	\$ 26,916	\$ 67,697

**4. MCFD SPECIAL PROJECTS CONTRIBUTIONS**

**MCFD Translation Project:**

In 2016, 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 2018.

**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.

During the year, UBC contributed \$59,000 to the second phase of this project. Expected completion date of this project is March 31, 2019.

**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 managed 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 2018, in accordance with the Society's contract with UBC, the successful proponent. Expected completion of this project is March 31, 2020.

**Parent Training and Bursary Grant:**

In April 2017, the Society received \$150,000 of funding to facilitate access for families to at least 9 training events for the period from March 30, 2017 to March 30, 2018. These training events will provide up to 400 parents and caregivers with the opportunity to attend in-person, one or two day training workshops and will provide an additional 700 registrants access to training workshops via web streaming sessions.

**ACT - Autism Community Training Society**  
**Notes to the Financial Statements**  
**December 31, 2017**

**4. MCFD SPECIAL PROJECTS CONTRIBUTIONS (continued)**

	Handbook Translation Project	Online Mental Health and ASD Project	Parent Coaching Project	Parent Training & Bursary Grant	Total
Opening balance	\$ 44,171	\$ 58,712	\$ 3,012,523	\$ -	\$ 3,115,406
Receipts and additions	-	59,000	-	150,000	209,000
Interest income	-	-	28,232	-	28,232
Contractor and other project costs	(23,020)	(2,906)	(1,152,192)	(3,689)	(1,181,807)
Parent Bursaries	-	-	-	(26,640)	(26,640)
Streaming, video and other event expenses	-	(27,928)	-	(25,360)	(53,288)
Project management and administration disbursements	-	(26,100)	(20,000)	(40,000)	(86,100)
Closing balance	21,151	60,778	1,868,563	54,311	2,004,803
Current portion	(21,151)	(48,622)	(934,281)	(54,311)	(1,058,365)
	\$ -	\$ 12,156	\$ 934,282	\$ -	\$ 946,438

**5. 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).

During the year, due to the changing nature of the use of the CRM database, management has written off one half of the original cost of the database, net of corresponding accumulated amortization. Amortization expense for the database in 2017 is \$19,086 (2016 - \$19,086), and therefore, the amount included in deferred MCFD CRM database revenue for the year ended December 31, 2017 is \$21,471 as shown below.

**ACT - Autism Community Training Society**  
**Notes to the Financial Statements**  
**December 31, 2017**

**5. DEFERRED MCFD CRM DATABASE REVENUE (continued)**

	2017	2016
Opening balances	\$ 62,028	\$ 81,114
Annual amortization	(19,086)	(19,086)
	42,942	62,028
Write-down of 1/2 of database NBV	(21,471)	-
	\$ 21,471	\$ 62,028
	2017	2016
Deferred MCFD CRM database revenue	\$ 21,471	\$ 62,028
Current portion	(9,532)	(19,086)
Long term portion	\$ 11,939	\$ 42,942

**6. ECONOMIC DEPENDENCE**

ACT - Autism Community Training Society generated the majority of its revenues from its contract with MCFD. The contract with MCFD expired on June 30, 2017 and was not renewed. Management has developed plans to continue operations for the foreseeable future without this funding from MCFD. The scope of services provided by the Society has been reduced accordingly and there has been increased focus on workshop revenues, donations, and sponsorships.

**7. RESTRICTED FUNDS**

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

The majority of the Society's externally restricted funds are for the MCFD special projects and grants. See note 4 and 5.

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 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, 2017.



**8. 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 are approximately their carrying values. Essentially all of the Society's cash and term deposits are held at one major credit union and earn interest from approximately 1.00% to 1.6%. All term deposits mature annually, either mid-July, at the end of September, or at the beginning of October.

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 \$10,728 USD on December 31, 2017.

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.

**9. COMMITMENTS**

As at December 31, 2017, the Society occupied premises on a month-to-month lease basis. In February 2018 the Society moved into a new premises under a one-year lease agreement expiring January 31, 2019. Contracted lease payments in each fiscal year ending December 31 are as follows:

2018	\$	31,116
2019		2,310
		<hr/>
		\$ 33,426
		<hr/>

**10. REMUNERATION AND FINANCIAL ASSISTANCE DISCLOSURE**

The Society did not pay any remuneration to its directors in fiscal 2017. The Society paid \$82,683 to the Executive Director and did not pay any other employee or contractor remuneration in excess of \$75,000 in fiscal 2017.

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.

**11. 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.