

ACT - Autism Community Training Society

Financial Statements

December 31, 2021



BBA ACCOUNTING GROUP INC.
Chartered Professional Accountants

Independent Auditor's Report

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

Qualified Opinion

We have audited the financial statements of ACT - Autism Community Training Society, which comprise the statement of financial position as at December 31, 2021, and the statements of changes in net assets, operations, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society 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.

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities 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 Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2021, current assets as at December 31, 2021, and net assets as at December 31, 2021.

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 ASNPO, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's 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 auditor's 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 these 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:

Independent Auditor's Report

- ◆ 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Society 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.

We 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.

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 13, 2022

ACT - Autism Community Training Society
Statement of Financial Position

As at December 31,	2021	2020
ASSETS		
Current		
Cash	\$ 351,546	\$ 303,191
Term deposits	678,404	103,851
Government assistance receivable	4,820	32,470
Accounts receivable	11,452	38,539
Prepaid expenses	6,561	11,447
Term deposit held for special projects contributions	-	555,944
	1,052,783	1,045,442
Property and equipment (note 3)	6,194	5,772
	\$ 1,058,977	\$ 1,051,214
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 29,659	\$ 36,848
Deferred gaming revenue (note 4)	52	52
Unearned revenue	-	15,040
Deferred MCFD special projects contributions, current amounts (note 5)	-	555,944
	29,711	607,884
NET ASSETS		
Invested in property and equipment	6,194	5,772
Unrestricted	173,072	337,558
Internally restricted - Contingency fund	100,000	100,000
Internally restricted - ED transition fund	150,000	-
Internally restricted - Training transition fund	600,000	-
	1,029,266	443,330
	\$ 1,058,977	\$ 1,051,214

Approved by the board

Alison Ward Member
Brent Shirley Member

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

For the year ended December 31, 2021

	Invested in property and equipment	Unrestricted	Internally restricted - Contingency fund	Internally restricted - ED transition fund	Internally restricted - Training transition fund	Total 2021	Total 2020
Balance, beginning of year	\$ 5,772	\$ 337,558	\$ 100,000	\$ -	\$ -	\$ 443,330	\$ 369,958
Excess (deficiency) of revenues over expenditures	(2,909)	588,845	-	-	-	585,936	73,372
Internally restricted fund allocation	-	(750,000)	-	150,000	600,000	-	-
Purchase of property and equipment	3,331	(3,331)	-	-	-	-	-
Balance, end of year	\$ 6,194	\$ 173,072	\$ 100,000	\$ 150,000	\$ 600,000	\$ 1,029,266	\$ 443,330

ACT - Autism Community Training Society
Statement of Operations

For the year ended December 31,	2021	2020
Revenues		
MCFD special projects revenue (note 5)	\$ 681,922	\$ 20,000
Revenue from workshops including ACT bursaries	217,370	68,723
Gaming revenue	154,000	110,000
Government assistance (note 6)	90,957	144,618
Donations	75,659	72,608
Event sponsorship income	34,600	78,053
Grant income	5,252	77,380
Interest income	3,159	1,632
PST commission	237	-
MCFD CRM database revenue	-	2,386
	1,263,156	575,400
Expenditures		
Salaries and related benefits	414,025	325,128
Workshop material	70,258	201
Workshop speaker fees	36,659	26,158
Website	27,595	18,330
Event video recording	22,601	29,890
Rent	21,294	28,841
Bursary	13,815	8,415
Workshop equipment and facility rental	12,364	10,534
Accounting and legal	10,342	9,295
Advertising and promotion	8,103	10,485
Office	6,838	4,810
Consulting fees	6,330	-
Telephone and utilities	5,258	5,790
Insurance	4,887	4,841
Interest and bank charges	4,666	2,870
Amortization	2,291	4,690
Staff training and development	2,215	1,949
Repairs and maintenance	2,158	953
Travel	1,532	2,333
Sponsorship	1,500	3,844
Postage and courier	1,274	719
Foreign exchange loss (gain)	247	-
Board meetings	155	402
Workshop food and beverages	102	1,361
Community development	93	189
	676,602	502,028
Excess of revenues over expenditures before other item	586,554	73,372

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

For the year ended December 31,	2021	2020
Other expense		
Loss on disposal of property and equipment	618	-
Excess of revenues over expenditures	\$ 585,936	\$ 73,372

ACT - Autism Community Training Society
Statement of Cash Flows

For the year ended December 31,	2021	2020
Cash flows from operating activities		
Cash receipts from workshop registrations	\$ 202,304	\$ 63,699
Cash receipts from gaming revenue	154,000	110,000
Cash receipts from MCFD special projects contributions	125,978	-
Cash receipts from government assistance	117,977	112,778
Cash receipts from sponsorships	67,400	44,877
Cash receipts from donations and fundraising	52,141	88,934
Cash receipts from interest and other revenue	7,414	9,862
Cash receipts from grants	5,882	64,750
Cash receipts from book sale commission	-	1,082
Cash paid on account of special projects	-	(20,000)
Cash paid to suppliers and employees for other than special projects	(662,801)	(459,998)
	70,295	15,984
Cash flows from investing activity		
Purchase of property and equipment	(3,331)	(2,276)
Increase in cash and cash equivalents	66,964	13,708
Cash and cash equivalents, beginning of year	962,986	949,278
Cash and cash equivalents, end of year	\$ 1,029,950	\$ 962,986
Cash and cash equivalents consist of:		
Cash	\$ 351,546	\$ 303,191
Term deposits	678,404	103,851
Term deposits held for MCFD restricted contributions, current portion	-	555,944
	\$ 1,029,950	\$ 962,986

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 (ASNPO).

(a) Revenue recognition

Revenue related to contracts with government bodies 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 and other revenues including gaming. 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) Cash and cash equivalents

Cash and cash equivalents include cash on hand and term deposits maturing within three months.

(c) Financial instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash, term deposits, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

ACT - Autism Community Training Society
Notes to the Financial Statements
December 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) 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

(e) 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

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	\$ 13,535	\$ 13,535	\$ -	\$ -
Computer equipment	16,207	10,351	5,856	4,759
CRM Database	51,035	50,697	338	1,013
	\$ 80,777	\$ 74,583	\$ 6,194	\$ 5,772

4. DEFERRED GAMING REVENUE

	2021		2020	
Opening balance	\$ 52	\$ -		
Receipts	154,000	110,000		
Interest income	-	52		
Wage disbursement	(143,682)	(101,442)		
Disbursements	(10,318)	(8,558)		
Closing balance	\$ 52	\$ 52		

ACT - Autism Community Training Society
Notes to the Financial Statements
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5. MCFD SPECIAL PROJECTS CONTRIBUTIONS

Parent Coaching Project:

The goal of this project was 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 project was completed in 2020. On February 4, 2021, the Society received confirmation that MCFD would allow the Society to retain the remaining funding.

	2021	2020
Opening balance	\$ 555,944	\$ 570,688
Receipts and additions	125,978	-
Interest income	-	5,256
Project management and administration disbursements	-	(20,000)
Transfer to unrestricted	(681,922)	-
	\$ -	\$ 555,944

ACT - Autism Community Training Society
Notes to the Financial Statements
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6. GOVERNMENT ASSISTANCE

The Society received the following COVID-19 related financial assistance from the Federal Government:

	2021	2020
Canada Emergency Wage Subsidy	\$ 90,957	\$ 127,142
10% Temporary Wage Subsidy	-	6,288
Canada Emergency Commercial Rent Assistance (applied for by the landlord)	-	11,188
	\$ 90,957	\$ 144,618

7. RESTRICTED FUNDS

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

As at December 31, 2021, the Society's only externally restricted fund is for the BC Gaming grant. See note 4.

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 a \$100,000 "Contingency Fund" to be used in emergency or unforeseen circumstances at the discretion of the Board. There was no spending from this fund for the year ended December 31, 2021.

In 2021, two new internally restricted funds were set up by resolution of the Board of Directors: the "ED Transition Fund" and the "Training Transition Fund".

\$150,000 was set aside for the "ED Transition Fund." The money in this fund is to be used for the purposes of searching for a new executive director and integrating the new executive director into the operations of the Society.

\$600,000 was set aside for the "Training Transition Fund." The money in this fund is to be used towards experimenting with training delivery methods to discover and refine delivery models in light of the ongoing pandemic and worsening weather disruptions. In addition, this fund will also be used to expand and streamline online training resources to reach and be more accessible to a broader audience.

Both of these new internally restricted funds are to be used during fiscal years 2022, 2023, and 2024. Any balance remaining in either fund as of December 31, 2024 is to be returned to the general funds of the Society as of January 1, 2025.

8. FINANCIAL INSTRUMENTS

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 the Society's cash and term deposits are held at one major credit union and earn interest from approximately 0.2% to 0.7%. All term deposits mature annually either mid-June or mid-July.

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 was \$14,040 USD (\$1,541 - 2020) and translated at \$1.2678. The Society does not use derivative instruments to hedge its exposure to fluctuations in foreign currency exchange rates.

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8. FINANCIAL INSTRUMENTS (continued)

Credit risk is the risk to the Society's ability to collect on receivables which arises when the other party to the financial instrument fails to discharge the obligation. The Society does have credit risk in accounts receivable of \$16,272 (2020 - \$71,009). In the opinion of management the credit risk exposure to the Society is low and is not material.

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

9. COMMITMENTS

On May 1, 2021, the Society signed a new office lease agreement expiring June 30, 2024. Contracted lease payments in each fiscal year ending December 31 are as shown below.

On February 25, 2021, the Society signed a three-year subscription with Lucidea Technologies for the Presto Software to host and support the Autism and Intellectual Disability (AID) Search database. Contracted payments in each fiscal year ending December 31 are as shown below.

On March 1, 2021, the Society signed a secondment agreement with the Minister of Children and Family Development (MCFD) to utilize the services of a MCFD employee who will be seconded from the Province to the Society commencing March 29, 2021 and ending March 25, 2022. The Society will reimburse the Province for the MCFD employee's salary and benefits in the 2022 fiscal year as shown below.

	Office lease	Lucidea	Secondment agreement	Total
2022	\$ 25,200	\$ 7,402	\$ 6,973	\$ 39,575
2023	25,200	7,698	-	32,898
2024	12,600	-	-	12,600
	\$ 63,000	\$ 15,100	\$ 6,973	\$ 85,073

10. REMUNERATION AND FINANCIAL ASSISTANCE DISCLOSURE

The Society did not pay any remuneration to its board of directors in fiscal 2021. The Society paid \$87,649 to the Executive Director and did not pay any other employee or contractor remuneration in excess of \$75,000 in fiscal 2021.

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. COVID-19

Events have occurred as a result of the COVID-19 (coronavirus) pandemic that have caused economic uncertainty. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remain unclear at this time. Potential risks that the Society faces as a result of the pandemic are as follows:

- (i) Significant change in operational costs
 - ◆ Assessment and response:
In-person events, such as training workshops have been postponed, held virtually wherever possible, or with reduced number of attendees.

The Society has positive working capital. The Society continues to be a going concern.