

**CENTRE FOR AUTISM SERVICES ALBERTA**  
Financial Statements  
Year Ended August 31, 2020

# **CENTRE FOR AUTISM SERVICES ALBERTA**

Index to Financial Statements

Year Ended August 31, 2020

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Centre for Autism Services Alberta

### *Qualified Opinion*

We have audited the financial statements of Centre for Autism Services Alberta (the Centre), which comprise the statement of financial position as at August 31, 2020, and the statements of operations, changes in net assets 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 Centre as at August 31, 2020, 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.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Centre derives revenue from fundraising activities and donation revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amount recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donations revenue, excess of revenues over expenses, and cash flows from operations for the years ended August 31, 2020 and 2019, current assets as at August 31, 2020 and 2019, and net assets as at September 1 and August 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended August 31, 2019 was modified 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit 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 Centre's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Centre'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:

- 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 Centre'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 Centre'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 Centre 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.

Edmonton, Alberta  
November 6, 2020

RSM Alberta LLP  
Chartered Professional Accountants

# CENTRE FOR AUTISM SERVICES ALBERTA

## Statement of Financial Position

August 31, 2020

	2020	2019
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 1,182,329	\$ 854,997
Restricted cash (Note 3)	151,958	91,391
Accounts receivable	236,809	286,590
Prepaid expenses	45,633	47,955
	<b>1,616,729</b>	<b>1,280,933</b>
TANGIBLE CAPITAL ASSETS (Note 4)	16,074	28,059
	<b>\$ 1,632,803</b>	<b>\$ 1,308,992</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 238,520	\$ 262,455
Payable to Family Support for Children with Disabilities	191,659	173,789
Deferred contributions (Note 6)	646,788	404,891
	<b>1,076,967</b>	<b>841,135</b>
DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS (Note 7)	14,943	24,906
	<b>1,091,910</b>	<b>866,041</b>
<b>NET ASSETS</b>		
Invested in tangible capital assets	1,131	3,153
Alberta Education Fund (Note 8)	75,805	57,693
Unrestricted	463,957	382,105
	<b>540,893</b>	<b>442,951</b>
	<b>\$ 1,632,803</b>	<b>\$ 1,308,992</b>

LEASE COMMITMENTS (Note 9)

APPROVED ON BEHALF OF THE BOARD

 Director  
 Director

See notes to financial statements

# CENTRE FOR AUTISM SERVICES ALBERTA

## Statement of Operations

Year Ended August 31, 2020

	2020	2019
<b>REVENUES</b>		
Grants:		
Family Support for Children with Disabilities	\$ 3,376,972	\$ 3,719,854
Alberta Education	509,188	472,530
Charitable foundations and other government grants	318,802	228,487
Amortization of deferred contributions related to tangible capital assets (Note 7)	9,963	11,685
	<b>4,214,925</b>	<b>4,432,556</b>
Fees and services		
Donations	1,265,840	1,226,436
Casino	140,830	190,736
Fundraising	34,786	33,761
Interest income	17,812	18,325
	11,486	12,108
	<b>1,470,754</b>	<b>1,481,366</b>
	<b>5,685,679</b>	<b>5,913,922</b>
<b>EXPENSES</b>		
Program delivery costs and general administrative expenses (Schedule 1)	5,575,752	5,897,679
Amortization of tangible capital assets	11,985	11,985
	<b>5,587,737</b>	<b>5,909,664</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 97,942</b>	<b>\$ 4,258</b>

See notes to financial statements

# CENTRE FOR AUTISM SERVICES ALBERTA

## Statement of Changes in Net Assets

Year Ended August 31, 2020

	Invested in Tangible Capital Assets	Alberta Education Fund	Unrestricted	2020	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 3,153	\$ 57,693	\$ 382,105	\$ 442,951	\$ 438,693
Excess of revenues (under) over expenses	(2,022)	18,112	81,852	97,942	4,258
<b>NET ASSETS - END OF YEAR</b>	\$ 1,131	\$ 75,805	\$ 463,957	\$ 540,893	\$ 442,951

See notes to financial statements

# CENTRE FOR AUTISM SERVICES ALBERTA

## Statement of Cash Flows

Year Ended August 31, 2020

	2020	2019
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 97,942	\$ 4,258
Items not affecting cash:		
Amortization of tangible capital assets	11,985	11,985
Amortization of deferred contributions related to tangible capital assets	(9,963)	(11,685)
	<b>99,964</b>	4,558
Changes in non-cash working capital ( <i>Note 10</i> )	<b>287,935</b>	(209,775)
<b>INCREASE (DECREASE) IN CASH</b>	<b>387,899</b>	(205,217)
Cash - beginning of year	<b>946,388</b>	1,151,605
<b>CASH - END OF YEAR</b>	<b>\$ 1,334,287</b>	\$ 946,388
<b>CASH CONSISTS OF:</b>		
Cash	\$ 1,182,329	\$ 854,997
Restricted cash	151,958	91,391
	<b>\$ 1,334,287</b>	\$ 946,388

See notes to financial statements



# CENTRE FOR AUTISM SERVICES ALBERTA

Notes to Financial Statements

Year Ended August 31, 2020

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## 1. PURPOSE OF THE CENTRE

Centre for Autism Services Alberta (the Centre) is a not-for-profit organization incorporated provincially under the Societies Act (Alberta). As a not-for-profit organization, the Centre is exempt from the payment of income taxes under Section 149(1) of the Income Tax Act (Canada).

The Centre's mission is to provide comprehensive, innovative supports and services to those affected by Autism Spectrum Disorder (ASD) across their lifespan.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

### Cash and restricted cash

Cash and restricted cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

### Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Leasehold improvements	Over the term of the lease
------------------------	----------------------------

On September 1, 2019 the Centre adopted the new accounting standard ASNPO 4433 - Tangible capital assets held by not-for-profit organizations. This standard is applied on a prospective basis. As a result of the implementation of this new standard, the Centre has updated their policy as it relates to the impairment of tangible capital assets as follows:

When conditions indicate a tangible capital asset is impaired, the carrying value of the tangible capital asset is written down to the asset's fair value or replacement cost. The write down of the tangible capital asset is recorded as an expense in the statement of operations. A write down shall not be reversed.

### Revenue recognition

The Centre follows the deferral method of accounting for contributions. Contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception that contributions to fund specific future period's operating expenses are included in revenue of that later period.

Contributions received for the acquisition of tangible capital assets are deferred and recognized as revenue on the same basis that the tangible capital asset is amortized.

Fees for services rendered, donations and fundraising revenues are recognized in the year in which the service is provided to the extent that they are received and collection is reasonably assured.

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# CENTRE FOR AUTISM SERVICES ALBERTA

Notes to Financial Statements

Year Ended August 31, 2020

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

### Donated goods and services

The Centre receives donated goods and services from many volunteers. Due to the difficulty in determining their fair value, donated goods and services are not recognized in these financial statements.

### Financial instruments

#### *Measurement of Financial Instruments*

Financial instruments are financial assets or financial liabilities of the Centre where, in general, the Centre has the right to receive cash or another financial asset from another party or the Centre has the obligation to pay another party cash or other financial assets.

The Centre initially measures its financial assets and financial liabilities at fair value.

The Centre subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities, and payable to Family Support for Children with Disabilities.

#### *Impairment*

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in operations.

### Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 revenues and expenses in the period in which they become known. Significant estimates included in the preparation of the financial statements are accrued liabilities. Actual results could differ from these estimates.

# CENTRE FOR AUTISM SERVICES ALBERTA

Notes to Financial Statements

Year Ended August 31, 2020

## 3. RESTRICTED CASH

Restricted cash consists of:

	2020	2019
Cash - operating account	\$ 75,805	\$ 57,693
Cash - casino account	76,153	33,698
	<b>\$ 151,958</b>	<b>\$ 91,391</b>

Restricted cash includes proceeds from a casino which can only be used in accordance with the licensing agreements with Alberta Gaming, Liquor and Cannabis.

Restricted cash also includes \$75,805 (2019 - \$57,693) for the Alberta Education Fund as described in Note 8.

## 4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Leasehold improvements	\$ 156,485	\$ 140,411	\$ 16,074	\$ 28,059

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities includes the following government remittances:

	2020	2019
Payroll source deductions	\$ 39,546	\$ 45,965

# CENTRE FOR AUTISM SERVICES ALBERTA

Notes to Financial Statements

Year Ended August 31, 2020

## 6. DEFERRED CONTRIBUTIONS

Deferred contributions represent amounts received for a specific purpose which have not been expended at year-end.

	Opening Balance	Contributions Received	Recognized as Revenue	2020
Family Support for Children with Disabilities	\$ 337,788	\$ 3,521,559	\$ 3,376,972	\$ 482,375
Other program grants	24,740	77,834	24,740	77,834
Casino	33,698	77,241	34,786	76,153
Employment Works National Project	8,665	125,977	124,216	10,426
	\$ 404,891	\$ 3,802,611	\$ 3,560,714	\$ 646,788

## 7. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

Deferred contributions related to tangible capital assets represent restricted contributions received to fund the cost of leasehold improvements. The changes in deferred contributions are as follows:

	2020	2019
Balance at beginning of year	\$ 24,906	\$ 36,591
Amounts amortized	(9,963)	(11,685)
Balance at end of year	\$ 14,943	\$ 24,906

## 8. ALBERTA EDUCATION FUND

The Alberta Education Fund reports the revenue and expenses related to the operations of the program, including administrative costs, up to the amount allowed by Alberta Education budgets.

## 9. LEASE COMMITMENTS

The Centre has operating leases with respect to its premises and a photocopier.

The lease for the premises expires in February 2022. The lease for the photocopier expires in August 2023. The aggregate future minimum lease payments to expiry, excluding operating costs, are as follows:

2021	\$ 164,412
2022	79,200
2023	8,941
	<u>\$ 252,553</u>

# CENTRE FOR AUTISM SERVICES ALBERTA

Notes to Financial Statements

Year Ended August 31, 2020

## 10. CHANGES IN NON-CASH WORKING CAPITAL

	2020	2019
Accounts receivable	\$ 49,781	\$ (66,132)
Prepaid expenses	2,322	(7,698)
Accounts payable and accrued liabilities	(23,935)	8,264
Payable to Family Support for Children with Disabilities	17,870	-
Deferred contributions	241,897	(144,209)
	<b>\$ 287,935</b>	<b>\$ (209,775)</b>

## 11. ECONOMIC DEPENDENCE

The Centre received 68.3% (2019 - 70.9%) of its revenue from Alberta Education and Family Support for Children with Disabilities. The Centre is dependant on continued funding from these sources to provide for its ongoing operations.

## 12. FINANCIAL INSTRUMENTS

The Centre is exposed to various risks through its financial instruments. The following provides information about the Centre's risk exposure and concentration as of August 31, 2020.

### *(a) Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre does not believe it is subject to any significant concentration of credit risk. Cash is in place with major financial institutions. Accounts receivable consists of amounts receivable from Family Support for Children with Disabilities, parents, the federal government and the Goods and Services Tax rebate.

### *(b) Liquidity risk*

Liquidity risk arises from the possibility that the Centre might encounter difficulty in settling debts or in meeting its obligations related to financial liabilities. It is the Centre's opinion that there is no significant liquidity risk as of August 31, 2020.

## 13. COVID-19

On March 11, 2020, the World Health Organization assessed the coronavirus outbreak (COVID-19) as a pandemic. In Canada, the Government of Alberta declared a provincial state of public health emergency as per the Province of Alberta's Public Health Act on March 17, 2020 with respect to COVID-19. As of the date of these financial statements, the extent to which COVID-19 impacts the Centre's results will depend on future developments, which are highly uncertain and cannot be predicted and dependent upon new information which may emerge concerning the severity of COVID-19 and actions taken to contain this or its impact, among others.

# CENTRE FOR AUTISM SERVICES ALBERTA

Program Delivery Costs and General Administrative Expenses  
For the Year Ended August 31, 2020

(Schedule 1)

	2020	2019
<b>PROGRAM DELIVERY COSTS</b>		
Salaries and benefits	\$ 4,367,625	\$ 4,619,990
Rent	177,555	156,352
Administration allocation	155,192	146,726
Travel and subsistence	73,102	119,614
Materials and supplies	56,652	51,611
TN Active Care	51,667	67,416
Contracts	38,572	42,805
Playschool and daycare fees	34,671	35,356
Group costs and program fees	26,684	44,350
Education, conferences, and workshops	22,021	41,734
Staff recruitment and training	14,557	36,278
Family support workshops	654	5,470
	<b>5,018,952</b>	<b>5,367,702</b>
<b>GENERAL ADMINISTRATIVE EXPENSES</b>		
Salaries and benefits	438,579	414,432
Rent	47,074	49,862
Professional fees	15,503	14,441
Consulting, information technology and recruitment	12,323	10,201
Repairs and maintenance	10,060	7,643
Insurance	8,834	7,502
Bank charges	5,364	5,746
Janitorial	3,664	4,101
Board	3,643	1,536
Equipment rental	2,848	3,258
Telephone	2,714	2,305
Professional development	2,420	962
Office supplies and postage	2,032	2,923
Memberships and subscriptions	1,033	1,009
Fundraising	709	1,516
Casino	-	2,540
	<b>556,800</b>	<b>529,977</b>
<b>TOTAL</b>	<b>\$ 5,575,752</b>	<b>\$ 5,897,679</b>

See notes to financial statements