

AUTISM SERVICES OF SASKATOON INC.

FINANCIAL STATEMENTS

MARCH 31, 2019





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INDEPENDENT AUDITOR'S REPORT

To the Directors of Autism Services of Saskatoon Inc.

Opinion

We have audited the financial statements of Autism Services of Saskatoon Inc., which comprise the statement of financial position as at March 31, 2019, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises (ASPE).

Basis for 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 organization 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 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 ASPE, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT (continued)

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 organization'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 organization'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 organization 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.

SASKATOON, SASKATCHEWAN

June 13, 2019

Buchberger Berg & Partners LLP

Chartered Professional Accountants

AUTISM SERVICES OF SASKATOON INC.
STATEMENT OF FINANCIAL POSITION

MARCH 31, 2019

	<u>Operating fund</u>	<u>Capital fund</u>	<u>Reserve fund</u>	<u>Total 2019</u>	<u>Total 2018</u>
ASSETS					
Current assets					
Cash	\$ 409,606	\$ 14,581		\$ 658,124	\$ 776,354
Accounts receivable	48,604		233,937	48,604	49,840
Short-term investment	500,721			500,721	500,000
Inventory	3,328			3,328	3,085
Prepaid expenses	53,483			53,483	66,664
	<u>1,015,742</u>	<u>14,581</u>	<u>233,937</u>	<u>1,264,260</u>	<u>1,395,943</u>
Cash held in trust	41,651			41,651	40,119
Capital assets (Note 3)		2,880,632		2,880,632	3,127,876
	<u>1,057,393</u>	<u>2,895,213</u>	<u>233,937</u>	<u>4,186,543</u>	<u>4,563,938</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities (Note 4)	\$ 406,609	\$ -	\$ -	\$ 406,609	\$ 564,127
Deferred revenue (Note 5)	224,763			224,763	230,281
Funds held in trust	48,894			48,894	47,772
Current portion of long-term debt due within one year (Note 6)		336,809		336,809	410,836
Callable portion of long-term debt (Note 6)		1,253,966		1,253,966	1,308,512
	<u>680,266</u>	<u>1,590,775</u>		<u>2,271,041</u>	<u>2,561,528</u>
Long-term debt (Note 6)		256,547		256,547	273,276
	<u>680,266</u>	<u>1,847,322</u>		<u>2,527,588</u>	<u>2,834,804</u>
FUND BALANCES					
Invested in capital assets		1,033,310		1,033,310	1,135,252
Externally-restricted (Note 8)		14,581	233,937	248,518	192,763
Unrestricted	377,127			377,127	401,119
	<u>377,127</u>	<u>1,047,891</u>	<u>233,937</u>	<u>1,658,955</u>	<u>1,729,134</u>
	<u>1,057,393</u>	<u>2,895,213</u>	<u>233,937</u>	<u>4,186,543</u>	<u>4,563,938</u>

See accompanying notes

Approved on behalf of the board

Director


 Director

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2019

	(Schedule 1) Operating fund	Capital fund	Reserve fund	Total 2019	Total 2018
Revenue					
Ministry of Social Services (Note 10)	\$ 2,820,796	\$ 120,680	\$ 8,121	\$ 2,949,597	\$ 2,814,133
Saskatchewan Health Programs and services	2,478,821	-	-	2,478,821	2,537,202
Other grants	141,928	-	-	141,928	117,387
Other income	76,210	-	-	76,210	96,722
Donations	48,805	-	-	48,805	59,570
Net fundraising (Note 9)	90,241	-	-	90,241	57,507
Other provincial funding	32,686	-	-	32,686	48,223
Saskatchewan Housing Corporation	5,893	-	-	5,893	35,721
United Way	21,611	34,049	-	55,660	36,076
Interest income	9,373	-	-	9,373	13,211
	12,132	-	-	12,132	10,711
	<u>5,738,496</u>	<u>154,729</u>	<u>8,121</u>	<u>5,901,346</u>	<u>5,826,463</u>
Expenses					
Amortization	-	292,837	-	292,837	238,884
Benefits	573,012	-	-	573,012	509,683
Contract service	296,253	-	-	296,253	262,382
Food	89,482	-	-	89,482	78,538
Housekeeping	12,761	-	-	12,761	14,501
Insurance	22,917	-	-	22,917	24,122
Interest and bank charges	22,005	-	-	22,005	19,380
Interest on long-term debt	9,244	62,460	12,840	84,544	91,938
Medical supplies	4,376	-	-	4,376	3,455
Office	26,765	-	-	26,765	37,498
Other	9,391	-	-	9,391	9,482
Professional fees	70,675	-	-	70,675	46,858
Program costs	68,819	-	-	68,819	60,414
Promotions and public relations	7,228	-	-	7,228	8,613
Rent and occupancy	377,011	-	-	377,011	379,725
Repairs and maintenance	37,053	21,138	15,862	74,053	50,425
Salaries	3,680,152	-	-	3,680,152	3,740,363
Staff travel and expenses	17,301	-	-	17,301	30,802
Telephone	26,652	-	-	26,652	33,845
Transportation	157,413	-	-	157,413	144,429
Utilities	57,875	-	-	57,875	60,677
	<u>5,566,385</u>	<u>376,435</u>	<u>28,702</u>	<u>5,971,522</u>	<u>5,846,014</u>
Excess (deficiency) of revenue over expenses before undernoted items	172,111	(221,706)	(20,581)	(70,176)	(19,551)
Loss on disposal of capital assets	-	-	-	-	(783)
Excess (deficiency) of revenue over expenses	\$ 172,111	\$ (221,706)	\$ (20,581)	\$ (70,176)	\$ (20,334)

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED MARCH 31, 2019

	<u>Operating fund</u>	<u>Capital fund</u>	<u>Reserve fund</u>	<u>Total 2019</u>	<u>Total 2018</u>
Balance, beginning of year	\$ 401,119	\$ 1,149,833	\$ 178,182	\$ 1,729,134	\$ 1,933,338
Excess (deficiency) of revenue over expenses	172,111	(221,706)	(20,581)	(70,176)	(20,334)
Purchase of capital assets	(42,778)	45,596	(2,818)	-	-
Repayment of long-term debt	(145,302)	145,302	-	-	-
Interfund transfer (Note 7)	(79,154)	-	79,154	-	-
Other interfund transfers	71,037	(71,037)	-	-	-
Expense recoveries	-	-	-	-	(183,870)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance, ending of year	\$ 377,033	\$ 1,047,988	\$ 233,937	\$ 1,658,958	\$ 1,729,134

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Deficiency of revenue over expenses	\$ (70,176)	\$ (20,334)
Adjustments for		
Amortization	292,837	238,884
Loss on disposal of capital assets	<u>-</u>	<u>783</u>
	<u>222,661</u>	<u>219,333</u>
Change in non-cash working capital items		
Accounts receivable	1,236	(3,832)
Inventory	(243)	(886)
Prepaid expenses	13,181	(15,985)
Accounts payable and accrued liabilities	(157,519)	78,243
Deferred revenue	(5,518)	(124,545)
Funds held in trust	<u>1,123</u>	<u>9,491</u>
	<u>74,921</u>	<u>161,819</u>
Cash flows used in investing activities		
Purchase of capital assets	(45,596)	(40,157)
Purchase of short-term investment	<u>(721)</u>	<u>(500,000)</u>
	<u>(46,317)</u>	<u>(540,157)</u>
Cash flows used in financing activities		
Repayment of long-term debt	(145,302)	(138,251)
Expense recovery payments	<u>-</u>	<u>(183,870)</u>
	<u>(145,302)</u>	<u>(322,121)</u>
Net decrease in cash during the year	(116,698)	(700,459)
Cash, beginning of year	<u>816,473</u>	<u>1,516,932</u>
Cash, end of year	\$ <u>699,775</u>	\$ <u>816,473</u>
Cash consists of:		
Cash	\$ 658,124	\$ 776,354
Cash held in trust	<u>41,651</u>	<u>40,119</u>
	\$ <u>699,775</u>	\$ <u>816,473</u>

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

1. Nature of operations

Autism Services of Saskatoon Inc. (the "organization"), operating as Autism Services, is a provincially incorporated charitable organization dedicated to providing quality programming, educational and advocacy services to individuals with autism spectrum disorders and to their families. Included in these ongoing services is the operation of five group homes in Saskatoon, Saskatchewan.

The organization was incorporated in 1979 under the Non-profit Corporations Act, Saskatchewan under the original name of Northern Saskatchewan Society for Autistic Children. The name of the organization has changed a number of times since incorporating, the most recent being in June 2013, when the name of the organization officially changed to Autism Services of Saskatoon Inc.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant accounting policies are detailed as follows:

Fund accounting

The organization has adopted the principles of fund accounting.

The operating fund reflects the primary operations of the organization, which includes the revenues and donations received from various government and other agencies for provision of client service and related expenses.

The capital fund is a restricted fund that reflects the equity of the organization in tangible capital assets after taking into consideration any long-term debt. The capital fund includes revenues received from various government agencies designated for the construction of capital projects and/or the acquisition of tangible capital assets as well as donations designated for capital purposes by the contributor. Expenses consist primarily of depreciation of tangible capital assets and interest on long-term debt. The capital fund also includes a reserve to provide for replacement of buildings and equipment. The reserve is under the control of the Saskatchewan Housing Corporation and, is therefore, externally-restricted.

The organization, through a combination of various funding agencies and certain policies of the organization, has established two additional externally-restricted reserve funds. The Building and Maintenance Reserve was established to fund major capital outlays as they pertain to the group homes, and the Equipment and Furnishings Reserve was established to fund replacements of various types of furnishings and equipment as they pertain to the group homes.

Short-term investment

The short-term investment consists of a Guaranteed Investment Certificate that matures in the next fiscal year.

Inventory

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

Capital assets

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

2. Significant accounting policies (continued)

Capital assets (continued)

Capital assets are recorded at cost, less accumulated amortization. Amortization in the current year is recorded at one-half the annual rate. The organization provides for amortization using methods and rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	Declining balance	5%
Computer equipment	Straight-line	30%
Computer software	Straight-line	100%
Furniture and equipment	Straight-line	20%
Leasehold improvements	Straight-line	10%
Vehicles	Straight-line	20%

Impairment of long-lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

Interfund transfers

Certain amounts from time to time are transferred between funds in order to fund disbursements for activities, programs and operations and to offset capital amortization.

Revenue recognition

The organization follows the restricted fund method of accounting for contributions. Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenditures are incurred. All other restricted contributions are recognized as revenue of the appropriate fund.

Unrestricted contributions are recognized as revenue of the operating fund in the year received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Grant revenue is recognized as revenue of the related fund in the year that the terms of the granting agreement have been met if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fundraising, programming and other revenue is recognized as revenue of the operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recognized as it is earned.

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

2. Significant accounting policies (continued)

Donated materials and services

The organization benefits from the donation of materials and services from its members. These financial statements do not reflect the value of these donations-in-kind since a fair value cannot be reasonably estimated.

Allocated expenses

The organization allocates certain of its general support expenses by identifying the appropriate basis of allocating each component of the expense and applying that basis consistently each year in accordance with applicable contribution agreements. Wages and benefits and other administrative support expenses are allocated to programs.

Financial instruments

The organization initially measures its financial instruments at fair value, except for a related party transaction, which is recorded at the carrying or exchange amount depending on the circumstances.

Transaction costs are recognized in excess of revenue over expenses in the period incurred. However, transaction costs associated with financial instruments carried at cost or amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the expected life of the instrument.

Financial assets and financial liabilities subsequently measured at amortized cost include cash, short-term investment, accounts receivable, accounts payable and accrued liabilities, and long-term debt.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected, the proceeds that could be realized from the sale of the financial asset, or the amount that could be realized by exercising the right to any collateral held to secure repayment of the asset. Such impairments can be subsequently reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are the valuation of accounts receivable and the estimated useful lives of capital assets.

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

3. Capital assets

			<u>2019</u>	<u>2018</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Buildings	\$ 2,404,093	\$ 640,084	\$ 1,764,009	\$ 1,856,853
Computer equipment	186,049	166,134	19,915	21,356
Computer software	206,115	134,236	71,879	98,050
Furniture and equipment	184,222	171,227	12,995	22,314
Leasehold improvements	1,195,763	531,821	663,942	781,411
Vehicles	14,320	14,320	-	-
	<u>4,190,562</u>	<u>1,657,822</u>	<u>2,532,740</u>	<u>2,779,984</u>
Land	347,892	-	347,892	347,892
	<u>\$ 4,538,454</u>	<u>\$ 1,657,822</u>	<u>\$ 2,880,632</u>	<u>\$ 3,127,876</u>

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$81,579 (2018 - \$87,527).

5. Deferred revenue

	<u>2019</u>	<u>2018</u>
Saskatoon Health Region	\$ 190,271	\$ 190,271
Fundraising events revenue	27,702	22,000
Athabasca Health Region	5,290	-
Other grants	1,500	13,750
Programs and services	-	4,260
	<u>\$ 224,763</u>	<u>\$ 230,281</u>

6. Long-term debt

	<u>2019</u>	<u>2018</u>
4.49% Affinity Credit Union demand mortgage, repayable in monthly instalments of \$4,653, including interest, secured by specific land and buildings located at 534 Evergreen Blvd. with a net book value of \$813,875, the land and buildings located at 94 Lennon Crescent with a net book value of \$49,503, and a general security agreement over the organization's assets, due January 2023	\$ 654,032	\$ 680,083

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

6. Long-term debt (continued)

	<u>2019</u>	<u>2018</u>
4.49% Affinity Credit Union demand mortgage, repayable in monthly instalments of \$4,653, including interest, secured by specific land and buildings located at 538 Evergreen Blvd. with a net book value of \$808,907, the land and buildings located at 94 Lennon Crescent with a net book value of \$49,503, and a general security agreement over the organization's assets, due January 2023	653,980	680,083
4.74% Affinity Credit Union mortgage, payable in blended monthly instalments of \$1,821, secured by specific land and building located at 638 Peterson Crescent with a net book value of \$386,323 and a general security agreement over the organization's assets, due January 2024	265,994	273,358
3.77% Royal Bank of Canada leasehold improvements demand loan, repayable in blended monthly instalments of \$7,363, secured by a general security agreement, due August 2019	203,707	282,743
1.92% Saskatchewan Housing Corporation mortgage, payable in blended monthly instalments of \$679, secured by specific land and building located at 94 Lennon Crescent with a net book value of \$49,503, due April 2019	<u>69,609</u>	<u>76,357</u>
	1,847,322	1,992,624
Less: current portion of long-term debt due within one year	336,809	410,836
Less: callable portion of long-term debt	<u>1,253,966</u>	<u>1,308,512</u>
	\$ <u>256,547</u>	\$ <u>273,276</u>

All loans that are demand in nature must be presented as a current liability. Accordingly, the organizations demand loans are presented as a current liability even though the payment terms extend beyond one year.

Based on payment terms and maturity dates, estimated long-term debt repayments are as follows:

2020	\$ 336,809
2021	66,428
2022	69,498
2023	1,149,218
2024	225,369

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

7. Externally-restricted fund

Ministry of Social Services - Building and Maintenance Reserve

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 132,495	\$ 207,372
Revenues	3,600	3,600
Transfers from operating fund relating to surplus in housing	55,409	61,486
Transfers to capital fund relating to mortgage payments	(12,840)	-
Transfer to operating fund for day program support	-	(9,615)
Transfer to operating fund for CLSD recovery paid	-	(130,348)
	<u> </u>	<u> </u>
Balance, end of year	\$ 178,664	\$ 132,495

The operating fund transferred \$55,408 (2018 - \$61,486) to the Building and Maintenance Reserve related to the revenue and related surplus realized in the year from the various group homes and programming.

Ministry of Social Services - Equipment and Furnishings Reserve

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 45,687	\$ 87,654
Revenues	4,520	4,520
Transfer to operating fund for repairs and maintenance	(15,862)	(7,432)
Transfers from operating fund relating to surplus in housing	23,746	26,351
Transfers to operating fund for capital asset purchases	(2,818)	(5,421)
Transfer to operating fund for day program support	-	(4,121)
Transfer to operating fund for CLSD recovery paid	-	(55,864)
	<u> </u>	<u> </u>
Balance, end of year	\$ 55,273	\$ 45,687

The operating fund transferred \$23,746 (2018 - \$26,351) to the Equipment and Furnishings Reserve related to the revenue and any related surplus realized in the year from the various group homes and programming. The board approved a motion to transfer \$15,862 (2018 - \$7,433) from the Equipment and Furnishings Reserve to the operating fund to fund certain repairs and maintenance initiatives. In addition, the board approved a motion to transfer \$2,818 (2018 - \$5,420) from the Equipment and Furnishings Reserve to the operating fund to fund the purchase of furniture and equipment.

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

7. Externally-restricted fund (continued)

Saskatchewan Housing Corporation - Replacement Reserve

The balance in the Saskatchewan Housing Corporation - Replacement Reserve at year end is \$14,581 (2018 - \$14,581).

<u>Externally-restricted fund</u>	<u>2019</u>	<u>2018</u>
Ministry of Social Services		
Building and Maintenance Reserve	\$ 178,664	\$ 132,495
Equipment and Furnishings Reserve	<u>55,273</u>	<u>45,687</u>
Total Ministry of Social Services	233,937	178,182
Saskatchewan Housing Corporation - Replacement Reserve	<u>14,581</u>	<u>14,581</u>
Total externally-restricted fund	\$ <u>248,518</u>	\$ <u>192,763</u>

8. Contingent liabilities

The organization has been named as a defendant on a legal claim relating to an employee benefit plan. Management believes this claim is unfounded and no liability has been accrued as a result of this claim.

9. Fundraising

Net fundraising income is comprised of the following:

	<u>2019</u>	<u>2018</u>
Total fundraising revenue	\$ 74,485	\$ 87,159
Total fundraising expenditures	<u>(41,799)</u>	<u>(38,936)</u>
	\$ <u>32,686</u>	\$ <u>48,223</u>

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

10. Ministry of Social Services

During the year, the following contracts from the Ministry of Social Services relating to the group homes have been combined in Schedule 2 of the financial statements:

638 Peterson - Contract #ACA107; and,
Complex Needs Contract #A107CN048
534 Evergreen - Contract #ACA213; and,
Complex Needs Contracts #A213CN052 & #A213CN046

11. Lease obligations

The organization has entered into building leases for their corporate office space, as well as one of their group homes. Future minimum lease payments under the operating leases are as follows:

	<u>Rent</u>	<u>Occupancy</u>
2020	\$ 270,060	\$ 94,224
2021	276,193	94,224
2022	282,325	94,224
2023	288,463	94,224
2024	294,600	94,224

The organization has also entered into several operating leases for vehicles and equipment. Future minimum lease payments under these leases are as follows:

2020	\$ 14,124
2021	5,919
2022	2,960

12. Pension plan

The organization's employees participate in the retirement plan of the Saskatchewan Association of Rehabilitation Centres, which is a multi-employer defined contribution plan. The organization's financial obligation to the plan is limited to making required payments to match amounts contributed by employees for current services. The pension expense for the year was \$94,332 (2018 - \$95,168).

13. Related party transaction

During the year, certain members of the board of directors purchased services and fundraising tickets from the organization.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

14. Economic dependence

The organization is economically dependent on continued funding from the Government of Saskatchewan and its agencies.

15. Financial instruments

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments, which comprise the long-term debt, subject the organization to a fair value risk, since fair value fluctuates inversely to changes in market interest rates.

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 organization's main credit risk relates to its accounts receivable.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect to its accounts payable and accrued liabilities and long-term debt. The organization maintains sufficient cash reserves to settle liabilities when they become due.

AUTISM SERVICES OF SASKATOON INC.
SCHEDULE OF OPERATING FUND REVENUE AND EXPENSES
YEAR ENDED MARCH 31, 2019

	Saskatchewan Health	Adult support programs	Family programs	Total 2019	Total 2018
Revenue					
Ministry of Social Services	\$ -	2,820,796	-	2,820,796	2,672,493
Saskatchewan Health	2,262,086	-	216,735	2,478,821	2,537,202
Programs and services (Note 10)	-	19,054	122,874	141,928	117,387
Other grants	10,000	-	66,210	76,210	96,722
Other income	-	43,806	4,999	48,805	59,570
Donations	530	-	89,711	90,241	57,303
Fundraising	-	-	32,686	32,686	48,223
Other provincial funding	-	5,893	-	5,893	35,721
Saskatchewan Housing Corporation	-	21,611	-	21,611	21,477
United Way	-	-	9,373	9,373	13,211
Interest income	-	-	12,132	12,132	10,711
	<u>2,272,616</u>	<u>2,911,160</u>	<u>554,720</u>	<u>5,738,496</u>	<u>5,670,020</u>
Expenses					
Benefits	200,030	334,973	38,009	573,012	509,683
Contract service	288,898	1,960	5,395	296,253	262,382
Food	-	89,482	-	89,482	78,538
Housekeeping	-	12,761	-	12,761	14,501
Insurance	6,252	13,488	3,177	22,917	24,122
Interest and bank charges	7,160	10,380	4,465	22,005	19,380
Interest on long-term debt	7,310	-	1,934	9,244	12,485
Medical supplies	-	4,376	-	4,376	3,455
Office	15,188	4,119	7,458	26,765	37,498
Other	-	9,391	-	9,391	9,482
Professional fees	35,446	15,516	19,713	70,675	46,858
Program costs	22,877	7,773	38,169	68,819	60,414
Promotions and public relations	2,532	1,060	3,636	7,228	8,613
Rent	294,219	38,109	44,683	377,011	379,725
Repairs and maintenance	9,464	22,365	5,224	37,053	34,530
Salaries	1,188,792	2,139,276	352,084	3,680,152	3,740,363
Staff travel and expenses	5,227	9,159	2,915	17,301	30,802
Telephone	8,962	14,744	2,946	26,652	33,845
Transportation	62,108	65,668	29,637	157,413	144,429
Utilities	16,018	33,968	7,889	57,875	60,677
	<u>2,170,483</u>	<u>2,828,568</u>	<u>567,334</u>	<u>5,566,385</u>	<u>5,511,782</u>
Reserve fund transfer for day support program	-	-	-	-	(13,736)
	<u>102,133</u>	<u>82,592</u>	<u>(12,614)</u>	<u>172,111</u>	<u>171,974</u>
Excess of revenue over expenses	\$	\$	\$	\$	\$

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

SCHEDULE OF ADULT SUPPORT PROGRAM REVENUE AND EXPENDITURES BY PROGRAM

YEAR ENDED MARCH 31, 2019

	534 Evergreen Group Home	538 Evergreen Group Home	21 Tupper Group Home	Leadership	638 Peterson Group Home	94 Lennon Group Home	Supported Apartment	Day Program	Total 2019	Total 2018
Revenue										
Ministry of Social Services (Note 10)	\$ 574,963	\$ 371,088	\$ 315,364	\$ 384,593	\$ 487,478	\$ 370,150	\$ 64,709	\$ 252,451	\$ 2,820,796	\$ 2,672,493
Other income	1,920	2,440	12,840	-	1,920	1,880	22,806	-	43,806	53,720
Other provincial funding	-	-	-	-	-	-	-	5,893	5,893	33,154
Saskatchewan Housing Corporation	-	-	-	-	-	21,611	-	-	21,611	21,477
Programs and services	-	-	-	-	-	-	-	19,054	19,054	11,508
Saskatchewan Health	-	-	-	-	-	-	-	-	-	9,000
	<u>576,883</u>	<u>373,528</u>	<u>328,204</u>	<u>384,593</u>	<u>489,398</u>	<u>393,641</u>	<u>87,515</u>	<u>277,398</u>	<u>2,911,160</u>	<u>2,801,352</u>
Expenses										
Benefits	77,950	45,717	34,477	45,026	52,752	40,441	6,742	31,868	334,973	289,311
Contract service	-	-	-	-	-	-	-	1,960	1,960	26,750
Food	23,716	18,481	10,517	-	14,723	15,137	6,908	-	89,482	78,538
Housekeeping	3,631	2,741	1,202	-	2,791	1,801	595	-	12,761	14,501
Insurance	3,700	3,499	617	-	2,404	2,885	383	-	13,488	14,450
Interest and bank charges	2,554	1,512	897	803	1,715	1,393	273	1,233	10,380	10,342
Medical supplies	2,586	543	7	-	63	891	286	-	4,376	3,455
Office	907	291	100	1,287	176	144	25	1,189	4,119	6,421
Other	3,232	-	-	-	6,159	-	-	9,391	9,482	9,482
Professional fees	2,089	2,320	1,930	1,307	2,030	1,930	1,930	1,980	15,516	14,680
Program costs	172	1,743	1,146	-	1,625	1,532	1,125	430	7,773	9,516
Promotions and public relations	130	130	130	150	130	130	130	130	1,060	1,699
Rent	-	-	2,040	494	-	-	-	35,575	38,109	38,291
Repairs and maintenance	2,539	2,928	2,157	1,450	2,939	7,828	1,054	1,470	22,365	22,379
Salaries	483,396	296,075	227,801	326,134	304,422	254,640	45,223	201,585	2,139,276	2,059,982
Staff travel and expenses	2,963	1,387	600	958	1,262	895	294	800	9,159	11,254
Telephone	3,915	3,822	696	1,363	1,584	1,323	678	1,363	14,744	13,280
Transportation	17,094	12,418	3,461	220	14,285	6,176	904	11,110	65,668	63,233
Utilities	8,093	7,519	-	5,636	5,349	7,371	-	-	33,968	37,481
	<u>638,667</u>	<u>401,126</u>	<u>287,778</u>	<u>384,828</u>	<u>414,409</u>	<u>344,517</u>	<u>66,550</u>	<u>290,693</u>	<u>2,828,568</u>	<u>2,725,045</u>
Reserve fund transfer for day program support	-	-	-	-	-	-	-	-	-	13,736
Excess (deficiency) of revenue over expenses	\$ (61,784)	\$ (27,598)	\$ 40,426	\$ (235)	\$ 74,989	\$ 49,124	\$ 20,965	\$ (13,295)	\$ 82,592	\$ 90,043

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.SCHEDULE OF SASKATCHEWAN HOUSING CORPORATION OPERATIONSYEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Revenue		
\$60/month per bed x 12 months x 4 beds	\$ <u>2,880</u>	\$ <u>2,880</u>
Expenses		
Electricity	3,279	3,506
Heat	1,303	869
Water and sewer	<u>2,722</u>	<u>2,448</u>
	<u>7,304</u>	<u>6,823</u>
Janitorial supplies	1,108	609
Janitorial labour and benefits	1,800	1,815
Grounds labour	949	630
Grounds material	269	-
Equipment	-	589
Security	649	147
Waste removal	550	660
Insurance	2,885	2,085
Recycling	<u>67</u>	<u>54</u>
	<u>8,277</u>	<u>6,589</u>
Building exterior	-	15
Building interior	-	3,354
Heating, ventilation and plumbing	806	1,723
Appliance repairs	1,697	382
Electrical system repair	<u>-</u>	<u>385</u>
	<u>2,503</u>	<u>5,859</u>
Building exterior	195	5,325
Doors and windows	14,692	222
Cabinetry	157	-
Painting interior - common area	75	364
Appliances	-	729
Mechanical	<u>6,019</u>	<u>1,823</u>
	<u>21,138</u>	<u>8,463</u>
Total operating expenses	39,222	27,734
Other expenses		
Administration	2,242	2,242
Mortgage payments	8,149	8,149
Audit	<u>825</u>	<u>825</u>
Deficiency of revenue over expenses	\$ <u>(47,558)</u>	\$ <u>(36,070)</u>

This schedule is prepared in accordance with guidelines established by the Saskatchewan Housing Corporation.