

AUTISM SERVICES OF SASKATOON INC.

FINANCIAL STATEMENTS

MARCH 31, 2020





BUCKBERGER BAERG
& PARTNERS LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Terry Baerg CPA CA
Kathryn Bankowski CPA CA
Ashley Buckberger CPA CA CFA
Jennifer Funk CPA CA
Tyler Kachur CPA CA
Alan Koop CPA CA
Paul Pastor CPA CA CBV

INDEPENDENT AUDITOR'S REPORT

To the Members 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, 2020, and the statement of operations, statement of changes in fund balances and statement of cash flows and related schedules 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, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 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 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 12, 2020

Buchberger Berg & Partners LLP

Chartered Professional Accountants

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2020

	<u>Operating fund</u>	<u>Capital fund</u>	<u>Reserve fund</u>	<u>Total 2020</u>	<u>Total 2019</u>
Current assets					
Cash	325,115 \$	14,581 \$	266,001 \$	605,697 \$	658,124
Accounts receivable	95,312	-	-	95,312	48,604
Short-term investment	508,459	-	-	508,459	500,721
Inventory	3,226	-	-	3,226	3,328
Prepaid expenses	57,218	-	-	57,218	53,483
	<u>989,330</u>	<u>14,581</u>	<u>266,001</u>	<u>1,269,912</u>	<u>1,264,260</u>
Cash held in trust	40,504	-	-	40,504	41,651
Capital assets (Note 3)	-	2,596,896	-	2,596,896	2,880,632
	<u>1,029,834 \$</u>	<u>2,611,477 \$</u>	<u>266,001 \$</u>	<u>3,907,312 \$</u>	<u>4,186,543</u>

LIABILITIES

Current liabilities					
Accounts payable and accrued liabilities (Note 4)	298,630 \$	-	-	298,630 \$	406,609
Deferred revenue (Note 5)	304,336	-	-	304,336	224,763
Funds held in trust	46,927	-	-	46,927	48,894
Current portion of long-term debt due within one year (Note 6)	-	73,454	-	73,454	336,809
Callable portion of long-term debt (Note 6)	-	1,197,052	-	1,197,052	1,253,966
	<u>649,893</u>	<u>1,270,506</u>	<u>-</u>	<u>1,920,399</u>	<u>2,271,041</u>
Long-term debt (Note 6)	-	302,266	-	302,266	256,547
Commitments (Note 11)	649,893	1,572,772	-	2,222,665	2,527,588

FUND BALANCES

Invested in capital assets	-	1,024,124	-	1,024,124	1,033,310
Externally-restricted (Note 7)	-	14,581	266,001	280,582	248,518
Unrestricted	379,941	-	-	379,941	377,127
	<u>379,941</u>	<u>1,038,705</u>	<u>266,001</u>	<u>1,684,647</u>	<u>1,658,955</u>
	<u>1,029,834 \$</u>	<u>2,611,477 \$</u>	<u>266,001 \$</u>	<u>3,907,312 \$</u>	<u>4,186,543</u>

See accompanying notes

Approved on behalf of the board

Director 

Director 

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2020

	(Schedule 1) Operating fund	Capital fund	Reserve fund	Total 2020	Total 2019
Revenue					
Ministry of Social Services (Note 10)	\$ 2,891,180	\$ 133,520	\$ 8,126	\$ 3,032,826	\$ 2,949,597
Saskatchewan Health Programs and services	2,443,824	-	-	2,443,824	2,478,821
Other grants	137,734	-	-	137,734	141,928
Other income	80,613	-	-	80,613	76,210
Donations	50,953	-	-	50,953	48,805
Net fundraising (Note 9)	89,631	-	-	89,631	90,241
Other provincial funding	42,629	-	-	42,629	32,686
Saskatchewan Housing Corporation	21,226	26,716	-	47,942	5,893
United Way	5,840	-	-	5,840	55,660
Interest income	11,706	-	-	11,706	9,373
	<u>5,775,336</u>	<u>160,236</u>	<u>8,126</u>	<u>5,943,698</u>	<u>5,901,346</u>
Expenses					
Amortization	298,143	-	-	298,143	292,837
Benefits	563,372	-	-	563,372	573,012
Contract service	168,641	-	-	168,641	296,253
Food	97,091	-	-	97,091	89,482
Housekeeping	13,004	-	-	13,004	12,761
Insurance	24,036	-	-	24,036	22,917
Interest and bank charges	21,912	-	-	21,912	22,005
Interest on long-term debt	9,057	70,792	-	79,849	84,544
Medical supplies	4,807	-	-	4,807	4,376
Office	28,452	-	-	28,452	26,765
Other	6,118	-	-	6,118	9,391
Professional fees	51,582	-	-	51,582	70,675
Program costs	64,077	-	-	64,077	68,819
Promotions and public relations	8,186	-	-	8,186	7,228
Rent and occupancy	388,739	-	-	388,739	377,011
Repairs and maintenance	35,230	18,531	11,305	65,066	74,053
Salaries	3,764,854	-	-	3,764,854	3,680,152
Staff travel and expenses	27,205	-	-	27,205	17,301
Telephone	24,349	-	-	24,349	26,652
Transportation	147,652	-	-	147,652	157,413
Utilities	63,445	-	-	63,445	57,875
	<u>5,511,809</u>	<u>387,466</u>	<u>11,305</u>	<u>5,910,580</u>	<u>5,971,522</u>
Excess (deficiency) of revenue over expenses before undernoted items	263,527	(227,230)	(3,179)	33,118	(70,176)
Gain on disposal of capital assets	-	682	-	682	-
Excess (deficiency) of revenue over expenses	\$ 263,527	(226,548)	(3,179)	\$ 33,800	(70,176)

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED MARCH 31, 2020

	<u>Operating fund</u>	<u>Capital fund</u>	<u>Reserve fund</u>	<u>Total 2020</u>	<u>Total 2019</u>
Balance, beginning of year	\$ 377,125	\$ 1,047,893	\$ 233,937	\$ 1,658,955	\$ 1,729,131
Excess (deficiency) of revenue over expenses	263,527	(226,548)	(3,179)	33,800	(70,176)
Purchase of capital assets	(6,462)	14,925	(8,463)	-	-
Proceeds from disposal of capital assets	1,200	(1,200)	-	-	-
Repayment of long-term debt	(274,550)	274,550	-	-	-
Interfund transfer (Note 7)	(51,942)	-	51,942	-	-
Other interfund transfers	70,915	(70,915)	-	-	-
Increase to CSLD reserve	8,236	-	(8,236)	-	-
Expense recoveries	(8,108)	-	-	(8,108)	-
Balance, ending of year	\$ 379,941	\$ 1,038,705	\$ 266,001	\$ 1,684,647	\$ 1,658,955

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses	\$ 33,800	\$ (70,176)
Adjustments for		
Amortization	298,143	292,837
Gain on disposal of capital assets	(682)	-
Expense recoveries	<u>(8,108)</u>	<u>-</u>
	<u>289,353</u>	<u>292,837</u>
Change in non-cash working capital items		
Accounts receivable	(46,708)	1,236
Inventory	102	(243)
Prepaid expenses	(3,735)	13,181
Accounts payable and accrued liabilities	(107,979)	(157,521)
Deferred revenue	79,573	(5,518)
Funds held in trust	<u>(1,967)</u>	<u>1,123</u>
	<u>242,439</u>	<u>74,919</u>
Cash flows (used in) from investing activities		
Purchase of capital assets	(14,925)	(45,596)
Proceeds on disposal of capital assets	1,200	-
Purchase of short-term investment	<u>(7,738)</u>	<u>(721)</u>
	<u>(21,463)</u>	<u>(46,317)</u>
Cash flows used in financing activities		
Repayment of long-term debt	<u>(274,550)</u>	<u>(145,302)</u>
Net decrease in cash during the year	(53,574)	(116,698)
Cash, beginning of year	<u>699,775</u>	<u>816,473</u>
Cash, end of year	\$ <u>646,201</u>	\$ <u>699,775</u>
Cash consists of:		
Cash	\$ 605,697	\$ 658,124
Cash held in trust	<u>40,504</u>	<u>41,651</u>
	\$ <u>646,201</u>	\$ <u>699,775</u>

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

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. 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 amortization 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.

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

2. Significant accounting policies (continued)

Capital assets

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%

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, 2020

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 not-for-profit organizations 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. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess (deficiency) of revenue and expenses in the periods in which they become known.

AUTISM SERVICES OF SASKATOON INC.
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

3. Capital assets

	2020		2019	
	Cost	Accumulated amortization	Net book value	Net book value
Buildings	\$ 2,404,093	\$ 728,284	\$ 1,675,809	\$ 1,764,009
Computer equipment	191,718	177,158	14,560	19,915
Computer software	206,115	206,115	-	71,879
Furniture and equipment	188,676	174,407	14,269	12,995
Leasehold improvements	1,195,763	651,397	544,366	663,942
	4,186,365	1,937,361	2,249,004	2,532,740
Land	347,892	-	347,892	347,892
	\$ 4,534,257	\$ 1,937,361	\$ 2,596,896	\$ 2,880,632

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$73,994 (2019 - \$81,579).

5. Deferred revenue

	2020		2019	
Saskatoon Health Region	\$ 280,604	\$ 190,271		
Fundraising events revenue	11,242	27,702		
Athabasca Health Region	12,490	5,290		
Other grants	-	1,500		
	\$ 304,336	\$ 224,763		

6. Long-term debt

	2020		2019	
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 \$779,378, the land and buildings located at 94 Lennon Crescent with a net book value of \$47,028, and a general security agreement over the Organization's assets, due January 2023	\$ 626,823	\$ 654,032		

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

6. Long-term debt (continued)

	<u>2020</u>	<u>2019</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 \$774,659, the land and buildings located at 94 Lennon Crescent with a net book value of \$47,028, and a general security agreement over the Organization's assets, due January 2023	626,769	653,980
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 \$372,007 and a general security agreement over the Organization's assets, due January 2024	256,463	265,994
1.86% Saskatchewan Housing Corporation mortgage, payable in blended monthly instalments of \$677, secured by specific land and building located at 94 Lennon Crescent with a net book value of \$47,028, due July 2028	62,717	69,609
3.77% Royal Bank of Canada leasehold improvements demand loan, repaid during the year	<u>-</u>	<u>203,707</u>
	1,572,772	1,847,322
Less: current portion of long-term debt due within one year	73,454	336,809
Less: callable portion of long-term debt	<u>1,197,052</u>	<u>1,253,966</u>
	\$ <u>302,266</u>	\$ <u>256,547</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:

2021	\$ 73,454
2022	76,661
2023	1,156,094
2024	232,692
2025	7,564

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

7. Externally-restricted fund

Ministry of Social Services - Building and Maintenance Reserve

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 178,664	\$ 132,495
Revenues	3,600	3,600
Transfers from operating fund relating to surplus in housing	36,359	55,409
Transfers to capital fund relating to mortgage payments	-	(12,840)
Transfer to operating fund for CLSD recovery paid	<u>(5,766)</u>	<u>-</u>
Balance, end of year	<u>\$ 212,857</u>	<u>\$ 178,664</u>

The operating fund transferred \$36,359 (2019 - \$55,409) 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>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 55,273	\$ 45,687
Revenues	4,526	4,520
Transfer to operating fund for repairs and maintenance	(11,304)	(15,862)
Transfers from operating fund relating to surplus in housing	15,582	23,746
Transfers to operating fund for capital asset purchases	(8,463)	(2,818)
Transfer to operating fund for CLSD recovery paid	<u>(2,470)</u>	<u>-</u>
Balance, end of year	<u>\$ 53,144</u>	<u>\$ 55,273</u>

The operating fund transferred \$15,582 (2019 - \$23,746) 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 \$11,304 (2019 - \$15,862) 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 \$8,463 (2019 - \$2,818) 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, 2020

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 (2019 - \$14,581).

<u>Externally-restricted fund</u>	<u>2020</u>	<u>2019</u>
Ministry of Social Services		
Building and Maintenance Reserve	\$ 212,857	\$ 178,664
Equipment and Furnishings Reserve	<u>53,144</u>	<u>55,273</u>
Total Ministry of Social Services	266,001	233,937
Saskatchewan Housing Corporation - Replacement Reserve	<u>14,581</u>	<u>14,581</u>
Total externally-restricted fund	\$ <u>280,582</u>	\$ <u>248,518</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>2020</u>	<u>2019</u>
Total fundraising revenue	\$ 105,119	\$ 74,485
Total fundraising expenditures	<u>(62,490)</u>	<u>(41,799)</u>
	\$ <u>42,629</u>	\$ <u>32,686</u>

AUTISM SERVICES OF SASKATOON INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

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. Commitments

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>
2021	\$ 299,593	\$ 94,224
2022	286,225	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:

2021	\$ 20,552
2022	13,865
2023	7,092

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 \$92,560 (2019 - \$94,332).

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, 2020

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.

16. Significant event

During the year, COVID-19 (coronavirus) was declared a pandemic by the World Health Organization. This has resulted in significant economic uncertainty and financial markets have experienced significant volatility in response to the developing COVID-19 pandemic. The interest bearing accounts, cash accounts and short term investments of the Organization has been subject to these market fluctuations and the impact is reflected in the financial statements for the year ended March 31, 2020. In addition, the Organization has undertaken the following activities in relation to the COVID-19 pandemic: closing office to the public, ceasing regular programming, and mandatory working from home requirements for those able to do so. The Organization has continued to run group home programs and has incurred additional costs related to the pandemic.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

AUTISM SERVICES OF SASKATOON INC.

SCHEDULE OF OPERATING FUND REVENUE AND EXPENSES

YEAR ENDED MARCH 31, 2020

	Saskatchewan Health	Adult support programs	Family programs	Total 2020	Total 2019
Revenue					
Ministry of Social Services	\$ -	2,891,180 \$	-	2,891,180 \$	2,820,796
Saskatchewan Health	2,224,558	-	219,266	2,443,824	2,478,821
Programs and services (Note 10)	-	13,883	123,851	137,734	141,928
Other grants	26,000	-	54,613	80,613	76,210
Other income	-	44,113	6,840	50,953	48,805
Donations	-	-	89,631	89,631	90,241
Fundraising	-	-	42,629	42,629	32,686
Other provincial funding	-	-	-	-	5,893
Saskatchewan Housing Corporation	-	21,226	-	21,226	21,611
United Way	-	-	5,840	5,840	9,373
Interest income	-	-	11,706	11,706	12,132
	<u>2,250,558</u>	<u>2,970,402</u>	<u>554,376</u>	<u>5,775,336</u>	<u>5,738,496</u>
Expenses					
Benefits	182,171	340,218	40,983	563,372	573,012
Contract service	160,599	-	8,042	168,641	296,253
Food	-	97,091	-	97,091	89,482
Housekeeping	-	13,004	-	13,004	12,761
Insurance	6,536	14,263	3,237	24,036	22,917
Interest and bank charges	5,208	10,204	6,500	21,912	22,005
Interest on long-term debt	7,020	-	2,037	9,057	9,244
Medical supplies	-	4,807	-	4,807	4,376
Office	17,387	3,363	7,702	28,452	26,765
Other	-	6,118	-	6,118	9,391
Professional fees	22,315	15,717	13,550	51,582	70,675
Program costs	18,353	8,422	37,302	64,077	68,819
Promotions and public relations	1,637	1,110	5,439	8,186	7,228
Rent	305,145	39,112	44,482	388,739	377,011
Repairs and maintenance	8,675	22,080	4,475	35,230	37,053
Salaries	1,199,684	2,211,409	353,761	3,764,854	3,680,152
Staff travel and expenses	11,395	8,604	7,206	27,205	17,301
Telephone	8,573	12,579	3,197	24,349	26,652
Transportation	49,855	71,118	26,679	147,652	157,413
Utilities	18,016	36,421	9,008	63,445	57,875
	<u>2,022,569</u>	<u>2,915,640</u>	<u>573,600</u>	<u>5,511,809</u>	<u>5,566,385</u>
Excess (deficiency) of revenue over expenses	\$ 227,989 \$	54,762 \$	(19,224) \$	263,527 \$	172,111

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.

SCHEDULE OF ADULT SUPPORT PROGRAM REVENUE AND EXPENDITURES BY PROGRAM

YEAR ENDED MARCH 31, 2020

	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 2020	Total 2019
Revenue										
Ministry of Social Services (Note 10)	\$ 576,313	\$ 374,306	\$ 317,898	\$ 388,321	\$ 491,785	\$ 373,476	\$ 65,285	\$ 303,796	\$ 2,891,180	\$ 2,820,796
Other income	1,920	2,400	12,840	-	2,017	1,920	23,016	-	44,113	43,806
Other provincial funding	-	-	-	-	-	21,226	-	-	21,226	5,893
Saskatchewan Housing Corporation Programs and services	-	-	-	-	-	-	-	13,883	13,883	21,611
	<u>578,233</u>	<u>376,706</u>	<u>330,738</u>	<u>388,321</u>	<u>493,802</u>	<u>396,622</u>	<u>88,301</u>	<u>317,679</u>	<u>2,970,402</u>	<u>2,911,160</u>
Expenses										
Benefits	79,047	45,744	37,627	46,307	50,865	38,703	8,464	33,461	340,218	334,973
Contract service	-	-	-	-	-	-	-	-	-	1,960
Food	24,942	20,287	11,333	-	17,399	15,529	7,601	-	97,091	89,482
Housekeeping	2,996	1,452	1,629	-	3,773	2,463	691	-	13,004	12,761
Insurance	3,779	3,931	633	-	2,502	2,685	633	100	14,263	13,488
Interest and bank charges	2,501	1,420	834	795	1,543	1,322	311	1,478	10,204	10,380
Medical supplies	2,092	767	168	-	534	1,111	135	-	4,807	4,376
Office	162	300	10	1,433	10	160	10	1,278	3,363	4,119
Other	3,083	-	-	-	3,035	-	-	-	6,118	9,391
Professional fees	2,545	2,545	1,800	1,867	1,810	1,810	1,650	1,690	15,717	15,516
Program costs	914	2,583	1,338	-	1,509	1,394	(74)	758	8,422	7,773
Promotions and public relations	135	135	125	125	135	135	135	185	1,110	1,060
Rent	-	-	2,540	716	-	-	-	35,856	39,112	38,109
Repairs and maintenance	3,295	3,511	1,332	1,475	2,891	7,755	376	1,445	22,080	22,365
Salaries	516,109	287,701	235,889	341,556	320,601	259,785	52,566	197,202	2,211,409	2,139,276
Staff travel and expenses	2,630	1,717	511	917	1,155	604	215	855	8,604	9,159
Telephone	5,113	1,285	508	1,484	1,148	925	703	1,413	12,579	14,744
Transportation	22,520	12,694	3,194	359	14,798	6,801	548	10,204	71,118	65,668
Utilities	8,176	8,558	-	6,339	5,383	7,965	-	-	36,421	33,968
	<u>680,039</u>	<u>394,630</u>	<u>299,471</u>	<u>403,373</u>	<u>429,091</u>	<u>349,147</u>	<u>73,964</u>	<u>285,925</u>	<u>2,915,640</u>	<u>2,828,568</u>
Excess (deficiency) of revenue over expenses	\$ (101,806)	\$ (17,924)	\$ 31,267	\$ (15,052)	\$ 64,711	\$ 47,475	\$ 14,337	\$ 31,754	\$ 54,762	\$ 82,592

See accompanying notes

AUTISM SERVICES OF SASKATOON INC.**SCHEDULE OF SASKATCHEWAN HOUSING CORPORATION OPERATIONS****YEAR ENDED MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
Revenue		
\$60/month per bed x 12 months x 4 beds	\$ <u>2,880</u>	\$ <u>2,880</u>
Expenses		
Electricity	3,728	3,279
Heat	1,079	1,303
Water and sewer	<u>3,086</u>	<u>2,722</u>
	<u>7,893</u>	<u>7,304</u>
Janitorial supplies	1,207	1,108
Janitorial labour and benefits	1,800	1,800
Grounds labour	938	949
Grounds material	-	269
Security	587	649
Waste removal	812	550
Insurance	2,685	2,885
Recycling	<u>72</u>	<u>67</u>
	<u>8,101</u>	<u>8,277</u>
Heating, ventilation and plumbing	1,994	806
Appliance repairs	280	1,697
Electrical system repair	<u>137</u>	<u>-</u>
	<u>2,411</u>	<u>2,503</u>
Building exterior	10,737	195
Doors and windows	-	14,692
Cabinetry	-	157
Painting interior - common area	-	75
Building - specialty	7,449	-
Mechanical	-	6,019
Electrical	<u>345</u>	<u>-</u>
	<u>18,531</u>	<u>21,138</u>
Total operating expenses	36,936	39,222
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>(45,272)</u>	\$ <u>(47,558)</u>

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