

AUTISM SPEAKS CANADA

Financial Statements

Year ended December 31, 2023



AUTISM SPEAKS CANADA
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December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Member of
Autism Speaks Canada

Qualified Opinion

We have audited the financial statements of Autism Speaks Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in fund balances 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 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 Organization as at December 31, 2023, and its results of 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 charitable organizations, the Organization derives revenue from contributions and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the year ended December 31, 2023, current assets as at December 31, 2023, and fund balances as at January 1 and December 31, 2023. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2022 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 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 qualified audit opinion.

Other Matter

The financial statements for the year ended December 31, 2022 were audited by another auditor who expressed a qualified opinion on those financial statements on March 31, 2023 for reasons described in the *Basis for Qualified Opinion* section.

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 - cont'd

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 entity'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 entity'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 entity 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.

Adams & Miles LLP

Chartered Professional Accountants
Licensed Public Accountants

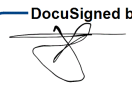
Toronto, Canada
April 12, 2024

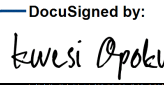


AUTISM SPEAKS CANADA**Statement of Financial Position****December 31, 2023**

	Operating Fund	Restricted Funds	Total 2023	Total 2022
Assets				
Current				
Cash (Note 3)	\$ 424,875	\$ 581,105	\$ 1,005,980	\$ 2,242,232
Investments (Note 3)	154,962	1,500,000	1,654,962	1,214,159
Amounts receivable	108,337	253,400	361,737	204,601
Prepaid expenses	38,674	8,903	47,577	47,585
	726,848	2,343,408	3,070,256	3,708,577
Tangible and intangible assets (Note 4)	3,663	208,379	212,042	294,018
	\$ 730,511	\$ 2,551,787	\$ 3,282,298	\$ 4,002,595
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 179,496	\$ 268,769	\$ 448,265	\$ 212,219
Grants payable (Note 5)	-	450,000	450,000	600,000
	179,496	718,769	898,265	812,219
Fund balances				
Unrestricted	547,352	-	547,352	1,450,996
Invested in tangible and intangible assets	3,663	208,379	212,042	294,018
Externally restricted	-	124,639	124,639	(54,638)
Emergency reserve fund	-	1,500,000	1,500,000	1,500,000
	551,015	1,833,018	2,384,033	3,190,376
	\$ 730,511	\$ 2,551,787	\$ 3,282,298	\$ 4,002,595

Approved on behalf of the Board:

DocuSigned by:

 Joshua Shymko
 Director

DocuSigned by:

 Kwesi Opoku
 Director



AUTISM SPEAKS CANADA**Statement of Operations****Year Ended December 31, 2023**

	Operating Fund	Restricted Funds	Total 2023	Total 2022
Revenue				
Contributions	\$ 484,914	\$ 775,196	\$ 1,260,110	\$ 1,597,559
Events revenue	618,528	200	618,728	570,325
Grants	-	489,551	489,551	166,667
Autism Speaks, Inc. (Note 6)	-	354,111	354,111	733,707
Interest	88,122	-	88,122	53,802
Other (Note 7)	38,902	-	38,902	130,859
	1,230,466	1,619,058	2,849,524	3,252,919
Direct costs				
Fundraising	812,175	8,621	820,796	865,311
Operations	600,126	37,788	637,914	790,972
	1,412,301	46,409	1,458,710	1,656,283
Funds available for mission	(181,835)	1,572,649	1,390,814	1,596,636
Mission expenditures				
Research and grants	21,171	1,084,140	1,105,311	1,562,068
Collaboration and awareness	384,998	170,449	555,447	530,734
Services and support	253,253	283,146	536,399	366,449
	659,422	1,537,735	2,197,157	2,459,251
Excess (deficiency) of revenue over expenses	\$ (841,257)	\$ 34,914	\$ (806,343)	\$ (862,615)



AUTISM SPEAKS CANADA**Statement of Changes in Fund Balances****Year Ended December 31, 2023**

	Unrestricted	Invested in Tangible and Intangible Assets	Externally Restricted Fund	Internally Restricted Emergency Reserve Fund	Total 2023	Total 2022
Balance, beginning of year	\$ 1,450,996	\$ 294,018	\$ (54,638)	\$ 1,500,000	\$ 3,190,376	\$ 4,052,991
Excess (deficiency) of revenue over expenses	(841,257)	-	34,914	-	(806,343)	(862,615)
Amortization of tangible and intangible assets	2,410	(84,482)	82,072	-	-	-
Purchases of tangible and intangible assets	(2,506)	2,506	-	-	-	-
Interfund transfers	(62,291)	-	62,291	-	-	-
Balance, end of year	\$ 547,352	\$ 212,042	\$ 124,639	\$ 1,500,000	\$ 2,384,033	\$ 3,190,376

See accompanying notes



AUTISM SPEAKS CANADA**Statement of Cash Flows****Year Ended December 31, 2023**

	2023	2022
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses	\$ (806,343)	\$ (862,615)
Amortization	84,482	82,208
	(721,861)	(780,407)
Changes in non-cash working capital		
Amounts receivable	(157,136)	23,263
Prepaid expenses	8	(12,167)
Due from Autism Speaks	-	29,708
Accounts payable and accrued liabilities	236,046	131,134
Grants payable	(150,000)	(382,352)
	(792,943)	(990,821)
Investing activities		
Purchases of tangible and intangible assets	(2,506)	(19,523)
Change in investments (net)	(440,803)	297,986
	(443,309)	278,463
Change in cash	(1,236,252)	(712,358)
Cash, beginning of year	2,242,232	2,954,590
Cash, end of year	\$ 1,005,980	\$ 2,242,232



AUTISM SPEAKS CANADA

Notes to Financial Statements

Year ended December 31, 2023

1. Nature and purpose of organization

Autism Speaks Canada, formerly National Alliance for Autism Research (Canada), (the "the Organization") was incorporated on October 27, 2003 under the laws of the Canada Corporations Act as a not-for-profit organization without share capital, and continued under the Canada Not-for-profit Corporations Act. The Organization is a registered charity and is tax exempt from income taxes under paragraph 149.1(1)(g) of the Income Tax Act.

The Organization is related to Autism Speaks, Inc., the controlling charity in the United States.

Autism Speaks Canada is dedicated to promoting solutions, across the spectrum and throughout the lifespan, for the needs of individuals with autism and their families by supporting and working with community partners; enhancing resources and services; increasing understanding, acceptance, and inclusion of people with autism spectrum disorder; and advancing research into causes and better interventions for autism spectrum disorder and related conditions.

2. Summary of significant accounting policies

The financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies:

Fund accounting

For financial reporting purposes, the accounts have been classified into the following funds:

Operating Fund

The Operating Fund comprises the unrestricted resources of the Organization or restricted resources for which a specific fund does not exist.

Externally Restricted Fund

The Externally Restricted Fund reports any resources that have been provided to the Organization with specific designated purposes that include supporting family services, website development, public awareness, and other specific research programs.



AUTISM SPEAKS CANADA

Notes to Financial Statements

Year ended December 31, 2023

2. Summary of significant accounting policies - cont'd

Fund accounting - cont'd

Internally Restricted Emergency Reserve Fund

In fiscal 2021, the Board of Directors established the Internally Restricted Emergency Reserve Fund in the amount of \$1,500,000. This fund is intended to provide financial support to the Organization in a time of unexpected financial difficulties. No funds were transferred to this fund in either fiscal 2022 or 2023.

Interfund transfers

Transfers between funds are made when resources of one fund have been authorized by the Board of Directors to finance activities and acquisitions in another fund.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions.

Contributions to the restricted fund are recognized as revenue of the restricted fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions, including events revenue and contributions, are 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. Restricted contributions for which a specific fund does not exist are recognized as revenue of the operating fund in the year in which the related expenses are incurred.

Interest and other income are recognized when earned.

Contributed services and materials

A substantial number of volunteers have made significant contributions of their time to the Organization and its purpose. The value of this contributed time is not reflected in these financial statements.

The Organization recognizes contributed materials when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased. Contributed materials recognized during the year equated to \$1,871 (2022 - \$620).

Allocation of general support expenditures

General support expenditures, comprised of salaries and benefits of personnel, are allocated among activities based on the estimated percentage of time spent on each activity.



AUTISM SPEAKS CANADA

Notes to Financial Statements

Year ended December 31, 2023

2. Summary of significant accounting policies - cont'd

Grant and research awards recognition

Grants payable are accrued and expensed to research mission expenditures in the year they are awarded.

Rescinded or returned grants are recorded as recoveries in the year of determination that the grant will be rescinded or returned. Grants are rescinded or returned when circumstances arise in which a previously recorded grant amount must be revised, such as when a given project requires less than the amount originally awarded or cannot be completed.

Certain research projects funded by the Organization extend over a number of years. Such projects are reviewed annually and further funding is provided conditional upon accomplishment of specified performance criteria and availability of research funds. Accordingly, the statement of financial position does not include a provision for funding on multi-year research projects that extend beyond the current year.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except non-arm's length transactions which are measured at the exchange amount. The Organization subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, investments, and amounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and grants payable.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the statement of operations. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Tangible and intangible assets

Tangible and intangible assets are recorded at cost less accumulated amortization, which is recorded on a straight-line basis at the following rates:

Website development	5 years
Computer equipment	4 years



AUTISM SPEAKS CANADA

Notes to Financial Statements

Year ended December 31, 2023

2. Summary of significant accounting policies - cont'd

Tangible and intangible assets - cont'd

When conditions indicate the carrying value of a tangible or intangible asset is impaired, it will be written down to fair value or replacement cost, with the write-down recorded as an expense in the statement of operations. Write-downs will not be reversed.

Foreign currency translation

Transactions denominated in U.S. dollars (USD) are translated into Canadian dollars (CAD) using the exchange rate in effect on the transaction date. At each statement of financial position date, monetary assets and liabilities denominated in USD are translated into CAD at the exchange rate in effect at that date. Unrealized exchange gains and losses arising on translation of USD-denominated monetary assets and liabilities are recognized in the statement of operations.

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates included in these financial statements are with respect to the allocation of general support expenditures and the useful life of tangible and intangible assets. Management believes that the estimates utilized in preparing its financial statements are reasonable. Actual results could differ from these estimates.

3. Investments

Investments consist of Guaranteed Investment Certificates ("GICs") with maturity dates between January 2024 and August 2024 (2022 - March 2023 and February 2024) bearing interest at rates between 2.35% and 5.75% (2022 - 1.15% and 5.05%). Included in investments is \$1,500,000 internally restricted for the emergency reserve fund.



AUTISM SPEAKS CANADA
Notes to Financial Statements
Year ended December 31, 2023

4. Tangible and intangible assets

	Cost	Accumulated Amortization	Net Book Value 2023	Net Book Value 2022
Unrestricted				
Computer equipment	\$ 45,086	\$ 41,423	\$ 3,663	\$ 3,566
Website development	93,164	93,164	-	-
	138,250	134,587	3,663	3,566
Restricted				
Website development	385,654	188,562	197,092	274,223
Computer equipment	28,325	17,038	11,287	16,229
	413,979	205,600	208,379	290,452
	\$ 552,229	\$ 340,187	\$ 212,042	\$ 294,018

5. Research project commitments

In December 2020, the Organization entered into a five-year agreement with The Hospital for Sick Children Foundation and the Wise Family Foundation to fund work in autism science in the amount of \$3,500,000. Of this amount, \$2,700,000 is to be paid directly to the Organization from the Wise Family Foundation. In turn, the Organization will fund research at The Hospital for Sick Children. To date, the Organization has received and funded \$2,250,000 (2022 - \$1,800,000), of which \$450,000 (2022 - \$600,000) is recorded as grants payable as at December 31, 2023. The remaining \$450,000 will be paid when the funding is received by the Organization.

In addition, pursuant to a memorandum of understanding and an agency agreement between the Organization and Autism Speaks, Inc., the Organization will fund select awards by Autism Speaks, Inc. to Canadian recipients. The Organization has multi-year funding commitments in place related to these research projects as follows:

	USD	CAD
2024	\$ 178,674	\$ 232,276
2025	139,394	181,213
	\$ 318,068	\$ 413,489



AUTISM SPEAKS CANADA**Notes to Financial Statements****Year ended December 31, 2023****6. Related party transactions**

In 2023, Autism Speaks, Inc. granted the Organization \$354,111 (USD \$258,031) (2022 - \$733,707 (USD \$561,028)) to support the funding of research projects. The Organization recorded the revenue within the externally restricted fund.

These related party transactions were conducted in the normal course of operations and were measured at the exchange amount.

7. Government assistance

Included in other income in 2022 was Federal government assistance under its COVID-19 relief programs, including \$40,026 under the Canada Emergency Wage Subsidy ("CEWS") program, and \$33,097 under the Canada Recovery Hiring Program ("CRHP"). Both programs ended in 2022.

8. Allocation of general support expenditures

During the year, salaries and benefits were allocated among various activities based on the estimated percentage of time spent as follows:

	2023	2022
Fundraising	\$ 686,603	\$ 697,470
Services and support	408,341	296,114
Collaboration and awareness	326,008	371,796
Operations	265,258	495,800
Research	30,390	24,523
	\$ 1,716,600	\$ 1,885,703

9. Operating commitment

The Organization is committed under a long-term software license agreement until 2028, requiring minimum payments of approximately \$50,000 per year.



AUTISM SPEAKS CANADA

Notes to Financial Statements

Year ended December 31, 2023

10. Financial instruments risks

The Organization is exposed to the following financial risks through transactions in financial instruments:

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 amounts receivable. The Organization reduces this risk by regularly following up on collection of amounts. All amounts receivable outstanding as at December 31, 2023 were subsequently collected.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is exposed to foreign currency exchange risk on USD funds received from Autism Speaks, Inc. The Organization does not use derivative instruments to reduce its exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on its investments in GICs, mitigated by investment in GICs that are redeemable.

It is management's opinion that the Organization is not exposed to significant liquidity or other price risks arising from its financial instruments.

11. Comparative amounts

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.