UNITY FOR AUTISM

FINANCIAL STATEMENTS

DECEMBER 31, 2021

Independent Auditor's Report

To the Members of the Board of Directors of Unity for Autism

Qualified Opinion

We have audited the financial statements of Unity for Autism (the "Organization"), which comprise the statements of financial position as at December 31, 2021, and the statements of operations and changes in net assets and statements of 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, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Qualified Opinion

In common with many charitable organization, the Organization derives revenues from donations and other fund raising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses (expenses over revenues), cash provided by operations for the year ended December 31, 2021, current assets as at December 31, 2021 and net asset balances as at December 31, 2021.

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. 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.

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Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 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.

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 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 judgement 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 risks 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

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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.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
June 23, 2022

UNITY FOR AUTISM

FINANCIAL STATEMENTS

DECEMBER 31, 2021

INDEX	**PAGE**
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Operations and Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 10

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	2021 $	2020 $
ASSETS		
CURRENT		
Cash	81,506	294,857
Investments (Notes 3 and 5)	1,074,113	803,492
Sales tax rebate	2,626	1,435
Canada emergency wage subsidy receivable (Note 4)	-	2,817
Prepaid expenses	-	10,170
	1,158,245	1,112,771
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	11,034	18,203
NET ASSETS		
UNRESTRICTED NET ASSETS	1,147,211	1,094,568
	1,158,245	1,112,771

APPROVED ON BEHALF OF THE BOARD:

_____________________________, Director

_____________________________, Director

See accompanying notes to the financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 $	2020 $
REVENUES		
Golf tournament revenue	494,413	-
Donations (Note 6)	224,799	409,906
Investment income	9,420	11,319
TOTAL REVENUES	728,632	421,225
EXPENSES		
Donations to autism organizations	569,456	260,000
Golf tournament expenses (Note 7)	77,543	-
Salaries and benefits	55,794	62,189
Professional fees	5,085	5,670
General and office	2,023	8,369
Bank charges	1,112	205
Canada emergency wage subsidy (Note 4)	(3,250)	(29,491)
TOTAL EXPENSES	707,763	306,942
Excess of revenues over expenses before the undernoted	20,869	114,283
Unrealized gain on investments	31,872	532
Foreign exchange loss on investments	(98)	(505)
EXCESS OF REVENUES OVER EXPENSES	52,643	114,310
NET ASSETS, beginning of year	1,094,568	980,258
NET ASSETS, end of year	1,147,211	1,094,568

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	52,643	114,310
Changes to income not involving cash:		
Unrealized gains on investments	(31,872)	(532)
Changes in non-cash working capital:		
Decrease (increase) in prepaid expenses	10,170	(10,170)
(Increase) decrease in sales tax rebate	(1,191)	4,288
(Decrease) increase in accounts payable and accrued liabilities	(7,169)	4,919
Decrease (increase) in canada emergency wage subsidy receivable	2,817	(2,816)
	25,398	109,999
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(709,416)	(235,742)
Proceeds from disposal of investments	470,667	300,000
	(238,749)	64,258
Change in cash	(213,351)	174,257
CASH, beginning of year	294,857	120,600
CASH, end of year	81,506	294,857

1. PURPOSE OF THE ORGANIZATION

Unity for Autism (the "Organization") was incorporated on October 8, 2004 as a non-for-profit organization without share capital, and received a Certificate of Continuance on August 22, 2014 under the laws of the Canada Corporation Act.

The Organization is a registered charity within the meaning of the Income Tax Act (Canada). As a registered charitable public foundation, the Organization is tax exempt under paragraph 149.1(1)(g) of the Income Tax Act. The Organization must meet certain requirements under the Income Tax Act in order to keep its charitable status. In the opinion of the management, these requirements have been met.

The objectives of the Organization is to provide funding to charitable organizations to enhance the development and well-being of individuals with Autism Spectrum Disorder and to create immediate access to programming as a result of the Organization's support in order to address the crisis that exists across Canada for more programs, support, and services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Organization are in accordance with accounting standards for not-for-profit organizations and their basis of application is consistent with that of the previous year. Outlined below are those policies considered particularly significant:

Revenue Recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expense are recognized. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized when earned, on a trade date basis.

Investments

Investments consist of marketable securities and other investments. Investments are maintained at high credit quality institutions and are recorded at their quoted market value with changes in fair value recognized in the statement of operations for the period.

Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for cash equivalents and investments that are measured at fair value. Changes in fair value are recognized in the statement of operations.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments measured at amortized cost are adjusted by financing fees and transaction costs. All other transaction costs are recognized in excess of revenue over expenses in the period incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying amount of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement.

Fair Value

Canadian accounting standards for not-for-profit organizations require that the Organization disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the financial reporting date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts for cash, amounts receivable and accounts payable and accrued liabilities on the statement of financial position approximate fair value because of the limited terms of these instruments.

The Organization's financial instruments are comprised of cash and investments maintained with Canadian chartered banks, amounts receivable, and accounts payable and accrued liabilities. It is management's opinion that these financial instruments are not exposed to significant interest, currency or credit risks.

Contributed Materials and Services

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 due to the difficulty in determining the fair value of the contributed time.

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.

Government Subsidies

Government subsidies are recognized in the statement of operations when the amount to be received can be reasonably estimated, ultimate collection is reasonably assured and the corresponding eligible costs have been incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in accordance with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Significant estimates include the valuation of amounts receivable. Actual results could differ from those reported.

3. INVESTMENTS

Investments consist of the following:

	2021 $	2020 $
Cash equivalents	902,822	666,295
Equities	171,291	137,197
	1,074,113	803,492

4. IMPACT OF COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic (the “pandemic”) as a result of the spread of COVID-19. Since that time, the pandemic has severely impacted local economies around the globe. In many countries, including Canada, organizations were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of COVID-19, including travel bans, quarantines, physical distancing, and closures of nonessential services have triggered significant disruptions to organizations worldwide, resulting in a widespread economic slowdown. Governments and central banks have responded with monetary and fiscal interventions in an attempt to stabilize economic conditions.

In response to local government restrictions, the Organization was not able to continue with certain planned events, including its annual golf tournament in 2020.

During the years ended December 31, 2021 and 2020, the Organization benefited from the Canada Emergency Wage Subsidy ("CEWS"), which was designed to provide financial support to organizations experiencing financial impacts resulting from the COVID-19 pandemic. The subsidy amounted to $3,250 (2020 - $29,491) and was shown as a reduction to operating expenses. The Organization will continue to evaluate its eligibility for future periods under the CEWS program if it remains in effect during 2022. As of December 31, 2021, the Company was owed $nil (2020 - $2,817) from the CEWS program.

The duration and impact of the pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. The Organization continues to monitor eligibility for future government assistance. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position of the Organization for future periods.

5. FINANCIAL RISK MANAGEMENT POLICY

The main objectives of the Organization's risk management process is to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. There were no significant changes in risks, objectives, policies, and procedures from the previous year.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Organization's credit risk is primarily attributable to cash, investments and amounts receivable. The Organization's cash and investments are held with reputable financial institutions. Financial instruments included in amounts receivable consist of amounts due from another not-for-profit organization. Management believes credit risk with respect to its financial instruments included in amounts receivable to be low.

Liquidity Risk

Liquidity risk is the risk of being unable to meet a demand for cash obligations as they come due. As at December 31, 2021, the Organization had current assets of $1,158,245 ($1,112,771 in 2020) to settle current liabilities of $11,034 ($18,203 in 2020) and regularly evaluates its position to ensure preservation and security of capital as well as maintenance of liquidity. The Organization manages its liquidity risk by monitoring the performance of its investments and expected cash flows, and by holding assets that can be readily converted into cash.

Interest Rate Risk

The Organization has minimal interest rate risk as its investments consist of cash equivalent and equities.

6. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2021, the Organization received donations of $122,750 (2020 - $132,000) from directors and entities controlled by directors of the Organization.

7. GOLF TOURNAMENT EXPENSES

The expenses for the fundraising golf tournament are as follows:

	2021 $	2020 $
Venue	44,977	-
Audience meal and entertainment	27,269	-
General	1,173	-
Supplies	3,487	-
Event management	637	-
	77,543	-