

Consolidated Financial Statements and  
Report of Independent Certified Public  
Accountants

**Autism Speaks, Inc.**

March 31, 2020

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Board of Directors  
Autism Speaks, Inc.

We have audited the accompanying consolidated financial statements of Autism Speaks, Inc. (a nonprofit organization) ("AS"), which comprise the consolidated statement of financial position as of March 31, 2020, and the related consolidated statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to AS's preparation and fair presentation of the consolidated financial statements 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 AS's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Autism Speaks, Inc. as of March 31, 2020, and the results of its change in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Grant Thornton LLP*

Philadelphia, Pennsylvania  
September 16, 2020

Autism Speaks, Inc.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31, 2020

**ASSETS**

Cash and cash equivalents	\$ 39,594,925
Pledges receivable, net	2,699,813
Other contributions and receivables	5,071,018
Prepaid expenses and other assets	1,100,828
Property, equipment and computer software, net	<u>582,340</u>
Total assets	<u>\$ 49,048,924</u>

**LIABILITIES AND NET ASSETS**

Liabilities	
Grants payable	\$ 855,215
Accounts payable and accrued expenses	4,096,205
Other liabilities	<u>903,498</u>
Total liabilities	5,854,918
Net assets	
Without donor restrictions	30,445,068
With donor restrictions	<u>12,748,938</u>
Total net assets	<u>43,194,006</u>
Total liabilities and net assets	<u>\$ 49,048,924</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Autism Speaks, Inc.**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**Year ended March 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue			
Walk program and retail partners	\$ 24,161,832	\$ 4,360,714	\$ 28,522,546
Major gifts and other contributions	19,977,119	2,617,999	22,595,118
Special and community events	6,107,071	50,000	6,157,071
Government grants	6,949	199,107	206,056
In-kind contributions and donated services (Note B)	36,985,271	-	36,985,271
Other income	292,822	12,990	305,812
Net assets released from restrictions	4,645,922	(4,645,922)	-
Total revenue	<u>92,176,986</u>	<u>2,594,888</u>	<u>94,771,874</u>
Expenses			
Program services			
Science (including in-kind contributions of \$638,008)	12,788,408	-	12,788,408
Services and support (including in-kind contributions of \$280,586)	18,161,102	-	18,161,102
Understanding and acceptance (including in-kind contributions of \$35,540,657)	45,006,630	-	45,006,630
Total program services	<u>75,956,140</u>	<u>-</u>	<u>75,956,140</u>
Supporting services			
Management and general (including in-kind contributions of \$109,430)	4,485,319	-	4,485,319
Fundraising (including in-kind contributions of \$416,590)	8,475,556	-	8,475,556
Total supporting services	<u>12,960,875</u>	<u>-</u>	<u>12,960,875</u>
Total expenses	<u>88,917,015</u>	<u>-</u>	<u>88,917,015</u>
Change in net assets	3,259,971	2,594,888	5,854,859
Net assets, beginning of period	<u>27,185,097</u>	<u>10,154,050</u>	<u>37,339,147</u>
Net assets, end of period	<u>\$ 30,445,068</u>	<u>\$ 12,748,938</u>	<u>\$ 43,194,006</u>

The accompanying notes are an integral part of these consolidated financial statements.

Autism Speaks, Inc.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended March 31, 2020

	Program Services			Supporting Services			Total	
	Science	Services and Support	Understanding and Acceptance	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries and related benefits	\$ 3,386,002	\$ 7,744,841	\$ 3,377,817	\$ 14,508,660	\$ 3,084,016	\$ 4,560,234	\$ 7,644,250	\$ 22,152,910
Science grants, awards, and science	5,057,182	263,158	263,158	5,583,498	-	-	-	5,583,498
Family services grants, awards, and science	-	871,610	491,229	1,362,839	-	-	-	1,362,839
Media and media services (donated)	-	-	35,416,519	35,416,519	-	214,069	214,069	35,630,588
Professional and legal fees	933,028	1,338,675	452,012	2,723,715	219,843	435,926	655,769	3,379,484
Events, meetings, and conferences	634,749	1,556,107	1,356,096	3,546,952	36,348	990,535	1,026,883	4,573,835
Printing and promotion	79,997	667,372	1,005,801	1,753,170	30,260	806,558	836,818	2,589,988
Occupancy	157,761	585,237	434,599	1,177,597	128,619	293,040	421,659	1,599,256
Software and website	985,237	532,727	277,663	1,795,627	153,751	321,951	475,702	2,271,329
Advertising	1,055,182	3,224,221	1,107,345	5,386,748	111,361	310,342	421,703	5,808,451
Other	445,899	1,287,436	782,362	2,515,697	685,136	488,324	1,173,460	3,689,157
Depreciation and amortization	53,371	89,718	42,029	185,118	35,985	54,577	90,562	275,680
	<u>\$ 12,788,408</u>	<u>\$ 18,161,102</u>	<u>\$ 45,006,630</u>	<u>\$ 75,956,140</u>	<u>\$ 4,485,319</u>	<u>\$ 8,475,556</u>	<u>\$ 12,960,875</u>	<u>\$ 88,917,015</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Autism Speaks, Inc.**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**Year ended March 31, 2020**

	<u><b>2020</b></u>
Cash flows from operating activities:	
Change in net assets	\$ 5,854,859
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	275,680
Net loss on foreign currencies	256,421
Changes in operating assets and liabilities:	
Pledges receivable, net	236,906
Other contributions and receivables	(2,166,702)
Prepaid expenses and other assets	(3,495)
Grants payable	258,328
Accounts payable and accrued expenses	1,888,212
Other liabilities	(218,121)
Net cash provided by operating activities	<u>6,382,088</u>
Cash flows from investing activities:	
Payments for property, equipment and computer software	<u>(175,470)</u>
Net cash used in investing activities	<u>(175,470)</u>
Effect of exchange rate changes on cash	<u>(256,421)</u>
Net increase in cash and cash equivalents	5,950,197
Cash and cash equivalents, beginning of period	<u>33,644,728</u>
Cash and cash equivalents, end of period	<u><u>\$ 39,594,925</u></u>

The accompanying notes are an integral part of these consolidated financial statements.



**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2020**

**NOTE A - ORGANIZATION**

Autism Speaks, Inc. (AS), a not-for-profit corporation, was formed in 2005. It is dedicated to promoting solutions, across the spectrum and throughout the life span, for the needs of individuals with autism and their families through advocacy and support; increasing understanding and acceptance of people with autism spectrum disorder; and advancing research into causes and better interventions for autism spectrum disorder and related conditions. Through partnership and collaboration, AS is committed to increasing global understanding and acceptance of autism, being a catalyst for research breakthroughs, increasing early-childhood screening and timely interventions, improving the transition to adulthood, and ensuring access to reliable information and services throughout the life span.

Canadian operations are incorporated under Canadian law as a separate entity (Autism Speaks Canada), which is controlled by AS. In October 2012, AS established Delivering Scientific Innovation for Autism (DELSIA) as a not-for-profit affiliate.

The financial statements of Autism Speaks Canada and DELSIA have been included in the accompanying consolidated financial statements in United States Dollars (USD). All interorganizational transactions have been eliminated.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

The consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to not-for-profit organizations.

***Net Assets***

The classification of AS's net assets and its revenue and expenses is based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions*

Net assets that are either not subject to donor-imposed stipulations or have been reclassified from net assets with donor restrictions because donor restrictions have either expired or been met.

*With Donor Restrictions*

Net assets that contain donor-imposed restrictions that permit AS to use or expend the assets for particular purposes or in specific time periods. The restrictions are satisfied either by the passage of time or by actions of AS.

***Revenue Recognition***

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*, to clarify the principles for recognizing revenue. The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and services. AS did not have any impairment or credit losses on any receivables arising from transactions with customers. There are also no incremental costs of obtaining earned revenues and no financing offered to customers. Finally, there are no significant changes in the judgments affecting the determination of the amount and timing of revenue. AS adopted the guidance

**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**March 31, 2020**

during the year ended March 31, 2020 using the modified retrospective method and has determined that there is no effect on net assets in connection with the adoption of ASU 2014-09.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. AS adopted the guidance during the year ended March 31, 2020 using the modified retrospective method and has determined that there is no effect on net assets in connection with the adoption of ASU 2018-08.

Contributions are recorded as revenue upon the receipt of cash, securities, a gift or an unconditional pledge. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. Contributions received are recorded as available for unrestricted use unless specifically restricted by the donor, in which case they are classified as with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

***Pledges and Other Contributions Receivable***

Promises to give are recorded as pledges receivable or other contributions receivable at their fair values when received. Fair values are measured based on the present value of future cash flows, with consideration of expectations about possible variations in the amount and/or timing of the cash flows and other specific factors that would be considered by market participants.

***Other Receivables***

Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The allowance for doubtful accounts is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past-due receivable balances are written off when internal collection efforts have been unsuccessful. As of March 31, 2020, no allowance for doubtful accounts has been established against other contributions and receivables.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash Equivalents***

For financial reporting purposes, AS considers all money market funds and highly-liquid investments, with maturities of three months or less when purchased, to be cash equivalents. Funds with donor restrictions are included in cash and cash equivalents in the accompanying consolidated statement of financial position.

***Property, Equipment and Computer Software***

Computer software costs are capitalized at their costs and are amortized, when placed in service, over the estimated useful lives of the assets of three years.

**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**March 31, 2020**

Equipment and property are stated at their costs at the dates of acquisition for purchases of \$5,000 or greater. Computer hardware and equipment and furniture and fixtures are depreciated using the straight-line method over the estimated useful lives of the assets of three to five years. Leasehold improvements are amortized over the term of the lease or the useful life of the improvements, whichever is less.

**Grants**

AS recognizes grant expenses as grantees meet the conditions stipulated in the awards. Conditional promises to give are not recorded as grant expense until the conditions upon which they are based have been met.

***In-Kind Contributions and Donated Services***

Donated goods and services that meet the requirements for recognition are recorded as revenue and expenses in the accompanying consolidated statement of activities at their fair values. The majority of the donated services are directly related to efforts to increase understanding and acceptance of people with autism spectrum disorder, which are included in program services in the accompanying consolidated statement of functional expenses.

In-kind contributions and donated services include donated media (television and radio broadcasting and other forms of media, including public service announcements) valued at \$34,541,575 and professional advertising and other services related to such media valued at \$1,089,014 for the year ended March 31, 2020. The fair values of the donated media are determined based on consideration of the cost typically incurred by buyers for similar advertising and media, standard discounts given for similarly placed media, the media type and placement and other considerations.

AS also received other donated goods and services valued at \$1,354,682 for the year ended March 31, 2020.

Many volunteers have made significant contributions of time to AS's programs and supporting functions. These contributed services do not meet the criteria for recognition and, accordingly, are not recognized in the accompanying consolidated financial statements.

***Advertising***

Advertising expenses have been recorded as expense once incurred. Such expenses consist primarily of professional media and advertising services utilized as part of AS's understanding and acceptance programmatic activities.

***Foreign Currency Translation***

Revenue and expenses of Autism Speaks Canada are translated at the average exchange rates for the year. Gains and losses from foreign currency translation are included in other income in the accompanying consolidated statement of activities.

***Functional Allocation of Expenses***

The cost of providing AS's programs and supporting services has been summarized on a functional basis in the accompanying consolidated statement of activities. Expenses directly attributable to a specific functional area of AS are reported as expenses of that functional area. Expenses attributable to more than one functional area are allocated using a variety of cost allocation techniques such as an analysis of staff time and effort and square footage.

Autism Speaks, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

March 31, 2020

**Revenue Share Arrangements - Special Events**

AS shares revenue and expenses with partners in certain events (see Note H for further details). AS employs collaborative arrangement accounting for these arrangements, which prescribes that, for costs incurred and revenue generated from third parties, the partner that is deemed to be the principal participant for a given transaction should record that transaction on a gross basis in the consolidated financial statements. AS accounts for payments made to partners for their share of net event proceeds as grant awards in the accompanying consolidated financial statements.

**NOTE C - CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject AS to concentration of credit risk consist primarily of cash and cash equivalents, accounts receivable and pledges receivable.

AS has cash deposits at financial institutions in excess of the Federal Deposit Insurance Corporation limit; however, management does not believe that there is any significant risk of loss on any uninsured amounts. AS's management has assessed the credit risk at March 31, 2020 and has determined that an allowance for the potential loss due to credit risk is not necessary.

Pledges and other receivables at March 31, 2020 are due from various individuals, corporations, institutions and foundations. AS's management has assessed the credit risk associated with these receivable balances in determining the fair value of pledges receivable (see Note D).

**NOTE D - PLEDGES RECEIVABLE, NET**

AS's pledges receivable, net consisted of unconditional promises to give as follows as of March 31, 2020:

Receivable in less than one year	\$ 779,786
Receivable in one to five years	1,609,936
Receivable in greater than five years	<u>398,880</u>
Total future value	2,788,602
Less: Amount to reduce to fair value	<u>(88,789)</u>
Pledges receivable, net	<u>\$ 2,699,813</u>

The discount rate used to determine the fair value of pledges receivable was 1.44%.

**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**March 31, 2020**

**NOTE E - AVAILABILITY OF FINANCIAL ASSETS**

The following reflects AS's financial assets as of the consolidated statement of financial position date of March 31, 2020, reduced by amounts not available for general use within one year of the consolidated statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Financial assets:	
Cash and cash equivalents	\$ 39,594,925
Pledges receivable, net	2,699,813
Other contributions and receivables	<u>5,071,018</u>
Total financial assets	<u>47,365,756</u>
Less amounts unavailable for general expenditures within one year:	
Pledges receivable collectible beyond one year	(2,008,816)
Other contributions and receivables collectible beyond one year	(625,000)
Restricted by donors with purpose restrictions	<u>(6,396,470)</u>
Total amounts unavailable for general expenditures	<u>(9,030,286)</u>
Less Finance and Investment Committee designated operating reserve	<u>(22,800,000)</u>
Total financial assets available to management for general expenditure, payment of current liabilities, future grant commitments, and operating lease commitments within one year	<u>\$ 15,535,470</u>

AS has future grant commitments and lease commitments as disclosed in Notes I and J, respectively.

**NOTE F - PROPERTY, EQUIPMENT AND COMPUTER SOFTWARE, NET**

As of March 31, 2020, property, equipment and computer software consisted of the following:

Computer hardware and equipment	\$ 723,417
Furniture and fixtures	141,143
Computer software	1,709,871
Leasehold improvements	567,674
Computer software under development	<u>52,947</u>
	3,195,052
Less: Accumulated depreciation and amortization	<u>(2,612,712)</u>
Property, equipment and computer software, net	<u>\$ 582,340</u>

**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**March 31, 2020**

**NOTE G - NET ASSETS WITH DONOR RESTRICTIONS**

At March 31, 2020, net assets with donor restrictions consisted of the following:

Purpose restrictions:	
Science	\$ 4,458,148
Services and support	1,935,431
Other programs	<u>2,891</u>
Total purpose restrictions	6,396,470
Time restricted	<u>6,352,468</u>
Net assets with donor restrictions	<u><u>\$12,748,938</u></u>

As of March 31, 2020, \$5,299,412 of time-restricted net assets were also program-restricted.

During the year ended March 31, 2020, net assets were released from restrictions as follows:

Time restrictions	\$ 820,373
Science	2,626,765
Services and support	<u>1,198,784</u>
	<u><u>\$ 4,645,922</u></u>

**NOTE H - SPECIAL EVENTS - COLLABORATIVE ARRANGEMENTS**

AS has arrangements to grant a portion of the net proceeds of certain events to partners. Amounts representing the partners' share of net event proceeds as described below are reflected as grants in the accompanying consolidated financial statements.

Event	Partner	Grants
Atlanta Walk	The Marcus Institute	50% of net proceeds
Phoenix Walk	The Southwest Autism Research & Resource Center (SARRC)	50% of net proceeds
Westchester/Fairfield Walk	Center for Autism and the Developing Brain at New York Presbyterian Hospital	15% of net proceeds

Autism Speaks, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

March 31, 2020

**NOTE I - GRANTS**

Unconditional obligations for science grants and awards were \$855,215 and are reflected in grants payable in the accompanying consolidated statement of financial position as of March 31, 2020. In addition, at March 31, 2020, grants and awards commitments of approximately \$6,773,752 are subject to discretionary approval, pending the satisfactory progress of research and the availability of funds. If satisfactory progress is achieved and funds are available, payments of the commitments outstanding at March 31, 2020 are scheduled as follows: \$2,625,000 in 2021, \$2,672,196 in 2022, \$1,228,298 in 2023 and \$248,258 in 2024.

**NOTE J - OPERATING COMMITMENTS**

***Leasing Commitments***

AS leases office space in various locations across the United States, which require minimum annual rents plus additional payments for operating expenses. The leases expire through March 2023. In addition, AS has equipment leases and service agreements expiring through March 2023.

As of March 31, 2020, future minimum rental payments required under operating leases that have initial or remaining non-cancellable lease terms in excess of one year are as follows:

<u>Years ending March 31,</u>	<u>Amount</u>
2021	\$ 1,506,358
2022	880,990
2023	<u>612,231</u>
Total	<u>\$ 2,999,579</u>

For the year ended March 31, 2020, rent expense was \$1,517,410.

Rent expense under operating leases that provide for rent abatements and fixed non-contingent escalations is recognized on a straight-line basis over the term of each individual underlying lease. The cumulative net excess of recorded rent expense over lease payments made is reflected in the consolidated statement of financial position in other liabilities. As of March 31, 2020, deferred rent was \$134,761, and is reflected in other liabilities in the accompanying consolidated statement of financial position.

During 2013, AS abandoned part of a leasehold for office space. Rental payments to be made attributable to the abandoned space for the remaining lease term, less estimated sublease rentals, is recorded as a liability at a net present value of \$648,107 at March 31, 2020. This liability is included in other liabilities in the accompanying consolidated statement of financial position.

**NOTE K - ALLOCATION OF JOINT COSTS**

For the twelve months ended March 31, 2020, AS incurred joint costs of \$17,910,114 to promote solutions, across the spectrum and throughout the life span, for the needs of individuals with autism and their families through advocacy and support; and increasing understanding and acceptance of people with autism spectrum disorder. \$5,560,372 of costs were allocated to fundraising expenses, \$1,657,950 of costs were allocated to management and general expenses, and \$10,691,792 of costs were allocated to program services.

**Autism Speaks, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**March 31, 2020**

**NOTE L - RETIREMENT PLAN**

AS implemented the Autism Speaks 401(k) Plan (AS 401(k) Plan), effective January 1, 2007. Under the AS 401(k) Plan, AS will make annual contributions ranging from 3% to 4% of an employee's salary to individual employee accounts for eligible employees, subject to Internal Revenue Service rules and limitations. Employer contributions for the year ended March 31, 2020 were \$521,393.

**NOTE M - LINE OF CREDIT**

In July 2014, AS entered into an amended line of credit agreement, under which it can borrow up to \$1,500,000 through September 30, 2020. Borrowings bear interest at the BBA LIBOR daily floating rate plus 1.25 percentage points and are unsecured. The balance outstanding at March 31, 2020 was \$0.

**NOTE N - INCOME TAX STATUS**

AS and DELSIA are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under comparable laws. The Canadian entity, exempt from Canadian income taxes, is organized without share capital under the Canadian Corporations Act. All significant tax positions have been considered by management, and it has been determined that all tax positions would be sustained upon examination by taxing authorities. There are no material uncertain tax positions that require recognition in the accompanying consolidated financial statements or further disclosure in the notes to the consolidated financial statements. AS is subject to audits by taxing jurisdictions; however, no audits for any periods are currently in progress.

**NOTE O - SUBSEQUENT EVENTS**

AS has evaluated events and transactions occurring through September 16, 2020, which is the date that the consolidated financial statements were available to be issued, for disclosure and recognition.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. As a result, AS has deferred certain fundraising events, and has also changed other fundraising events into social distancing events or virtual events, in order to safeguard the health of community members. While the disruption is currently expected to be temporary, there is uncertainty around the duration. Therefore, while AS expects this matter to negatively impact its financial position, the related financial impact cannot be reasonably estimated at this time.

AS received a Paycheck Protection Program (PPP) loan of \$3,293,680 granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) on May 1, 2020. Under the program terms, PPP loans are forgiven and recognized as grant revenue if the loan proceeds are used to maintain compensation costs and employee headcount, and other qualifying expenses (mortgage interest, rent and utilities) incurred following receipt of the loan. AS expects to meet the criteria and have the full amount of the loan forgiven and recognized as grant revenue in fiscal year 2021.