

NEXT FOR AUTISM, INC.

**Financial Statements
for years ended
December 31, 2023
and
December 31, 2022**

Independent Auditor's Report

To the Board of Directors of
NEXT for AUTISM, Inc.

Opinion

We have audited the accompanying financial statements of NEXT for AUTISM, Inc. ("NEXT"), which comprise the statement of financial position as of December 31, 2023 and December 31, 2022, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NEXT as of December 31, 2023 and December 31, 2022, and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of NEXT and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 NEXT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NEXT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Carrie Dileasa Sulcuth & Donnelly LLP

August 29, 2024

NEXT FOR AUTISM, INC.
Statement of Financial Position

	December 31	
	2023	2022
Assets		
Cash and cash equivalents	\$ 3,256,308	\$ 4,435,447
Contributions receivable	100,000	430,000
Accounts receivable	647,734	150,377
Prepaid expenses	20,053	19,569
Computers and equipment, net	<u>5,491</u>	<u>8,812</u>
Total assets	<u>\$ 4,029,586</u>	<u>\$ 5,044,205</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 170,208	\$ 128,442
Grants payable	-	100,000
Unearned revenue	<u>-</u>	<u>409,840</u>
Total liabilities	<u>170,208</u>	<u>638,282</u>
Net assets		
Without donor restrictions	3,640,202	3,790,958
With donor restrictions	<u>219,176</u>	<u>614,965</u>
Total net assets	<u>3,859,378</u>	<u>4,405,923</u>
Total liabilities and net assets	<u>\$ 4,029,586</u>	<u>\$ 5,044,205</u>

See notes to financial statements.

NEXT FOR AUTISM, INC.

Statement of Activities

	Year Ended December 31					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Contributions	\$ 368,347	\$ 65,000	\$ 433,347	\$ 797,442	\$ 640,000	\$ 1,437,442
Special events	2,132,542	-	2,132,542	485,267	-	485,267
Corporate consulting	-	-	-	10,417	-	10,417
Contributed non-financial assets	225,772	-	225,772	42,307	-	42,307
Interest and other	226,693	-	226,693	26,991	-	26,991
Government grant	-	-	-	309,100	-	309,100
Net assets released from restrictions	460,789	(460,789)	-	118,085	(118,085)	-
Total support and revenue	3,414,143	(395,789)	3,018,354	1,789,609	521,915	2,311,524
Expenses						
Program services						
Research, education and community services	2,352,871	-	2,352,871	2,628,885	-	2,628,885
Supporting activities						
Management and general	171,339	-	171,339	232,482	-	232,482
Fundraising	1,040,689	-	1,040,689	649,114	-	649,114
Total supporting activities	1,212,028	-	1,212,028	881,596	-	881,596
Total expenses	3,564,899	-	3,564,899	3,510,481	-	3,510,481
Increase (decrease) in net assets	(150,756)	(395,789)	(546,545)	(1,720,872)	521,915	(1,198,957)
Net assets, beginning of year	3,790,958	614,965	4,405,923	5,511,830	93,050	5,604,880
Net assets, end of year	\$ 3,640,202	\$ 219,176	\$ 3,859,378	\$ 3,790,958	\$ 614,965	\$ 4,405,923

See notes to financial statements.

NEXT FOR AUTISM, INC.
Statement of Functional Expenses

	Year Ended December 31							
	2023		2022		2023		2022	
	<u>Program Services</u>	<u>Supporting Activities</u>			<u>Program Services</u>	<u>Supporting Activities</u>		
	<u>Research, Education and Community Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total</u>	<u>Research, Education and Community Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total</u>
Salaries	\$ 1,216,098	\$ 97,357	\$ 174,074	\$1,487,529	\$ 844,517	\$ 143,288	\$ 317,046	\$ 1,304,851
Payroll taxes and employee benefits	222,995	20,214	36,143	279,352	146,519	29,674	65,659	241,852
Grants	587,680	-	-	587,680	1,345,066	-	-	1,345,066
Professional fees	208,805	39,707	357,443	605,955	156,312	46,517	90,595	293,424
Occupancy	2,074	827	2,632	5,533	2,324	321	789	3,434
Insurance	12,354	2,352	9,156	23,862	11,555	1,713	4,213	17,481
Telephone and internet	5,390	1,006	1,936	8,332	5,169	861	1,963	7,993
Supplies	781	225	2,200	3,206	2,899	113	2,625	5,637
Postage, printing and publications	1,526	195	36,223	37,944	2,230	185	6,472	8,887
Credit card and other bank fees	569	108	6,843	7,520	606	550	6,682	7,838
Advertising	4,788	772	56,862	62,422	17,400	408	11,627	29,435
Travel	45,500	5,249	32,864	83,613	35,330	4,438	17,947	57,715
Caterer, music and facility rental	-	-	246,791	246,791	697	-	30,190	30,887
Contributions	4,936	-	-	4,936	8,258	-	-	8,258
Database, website and webhosting	1,050	-	19,524	20,574	5,878	-	40,813	46,691
Dues and subscriptions	26,338	1,335	28,732	56,405	26,918	1,990	25,016	53,924
Other	11,987	1,992	29,266	43,245	17,207	2,424	27,477	47,108
Total	\$ 2,352,871	\$ 171,339	\$ 1,040,689	\$3,564,899	\$ 2,628,885	\$ 232,482	\$ 649,114	\$ 3,510,481

See notes to financial statements.

NEXT FOR AUTISM, INC.

Statement of Cash Flows

	Year Ended December 31	
	2023	2022
Cash flows from operating activities		
(Decrease) in net assets	\$ (546,545)	\$ (1,198,957)
Adjustments to reconcile (decrease) in net assets to net cash (used in) operating activities		
Depreciation	4,933	3,957
Forgiveness of PPP loan	-	(309,100)
(Increase) decrease in assets		
Contributions receivable	330,000	(249,078)
Accounts receivable	(497,357)	(123,935)
Prepaid expenses	(484)	3,809
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	41,766	(48,930)
Grants payable	(100,000)	4,807
Unearned revenue	(409,840)	(11,962)
Deferred employer payroll taxes	-	(23,048)
Net cash (used in) operating activities	(1,177,527)	(1,952,437)
Cash flows (used in) investing activities		
Purchases of equipment	(1,612)	(5,845)
Net (decrease) in cash and cash equivalents	(1,179,139)	(1,958,282)
Cash and cash equivalents, beginning of year	4,435,447	6,393,729
Cash and cash equivalents, end of year	\$ 3,256,308	\$ 4,435,447

See notes to financial statements.

NEXT FOR AUTISM, INC.**Notes to Financial Statements
December 31, 2023 and December 31, 2022****Note 1 – Nature of organization**

New York Center for Autism Research and Education, Inc., established on August 30, 2002, is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. During 2012, New York Center for Autism Research and Education, Inc. changed the organization name to New York Collaborates for Autism, Inc. (“NYCA”). During 2017, NYCA changed the organization name to NEXT for AUTISM, Inc. (“NEXT”).

NEXT transforms the national landscape of services for people with autism and related disabilities by strategically designing, launching and supporting innovative programs.

Significant operational measures

NEXT holds a large national fundraising event, typically every two or three years. Fundraising expenses increase during the years in which an event is held because of the increased costs associated with supporting the event. However, grants that are provided from the funds raised through the events, and are considered program expenses, are awarded beginning at least six (6) months after the event and funds may continue to be awarded for several years thereafter. The combination of these factors can result in dramatic changes in the percentage of program expenses to total expenses year-to-year. In years when a large fundraising event is held, the percentage of program services to total expenses is much lower than in years when an event is not held. NEXT anticipates a similar trend to continue for as long as we hold large fundraising events.

Note 2 – Summary of significant accounting policies**Basis of presentation**

Net assets are revenue, expenses, gains, losses, and other support that are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of NEXT are classified and reported as follows:

Without donor restrictions – net assets which have not been restricted by an outside donor and are therefore available for use in carrying out the operations of NEXT.

With donor restrictions – net assets which have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of NEXT pursuant to those stipulations. Contributions whose restrictions are met in the year the contribution is received are reflected within net assets without donor restrictions.

Cash and cash equivalents

NEXT deems highly liquid investments with original maturities of 90 days or less to be cash equivalents.

NEXT FOR AUTISM, INC.**Notes to Financial Statements (continued)
December 31, 2023 and December 31, 2022****Note 2 – Summary of significant accounting policies (continued)****Revenue recognition**

NEXT reports contributions as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose for restriction is accomplished, restricted net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are not included as support until the conditions are substantially met. Contributions receivable at December 31, 2023 are expected to be collected in 2024.

Special events revenue is recognized when earned, which is at the time the related event occurs.

Allowance for doubtful accounts

NEXT does not have an allowance for doubtful accounts for any potentially uncollectible receivables. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Computers and equipment

NEXT capitalizes equipment expenditures over \$1,500 with a useful life greater than one year at cost. Depreciation is computed using the straight-line method over the estimated useful lives which range from 3 years.

Grants payable

NEXT grants funds to other organizations for specific programs. Grants are recorded as an expense and a payable when approved by the grants committee and committed to the grantees. All such grants are ratified by the Board of Directors. Grants payable in more than one year are recorded at the net present value of the expected future cash outflow.

Contributed nonfinancial assets

Organizations are required to recognize contributions of services if they create or enhance non-financial assets or require specialized skills are provided by an individual possessing those skills and typically would have been purchased if not provided in-kind. During 2023 and 2022, NEXT received donated legal fees and supplies. These goods and services were an integral part of the activities of NEXT and would have had to be purchased by NEXT if they had not been donated. The goods and services were recorded at the fair value based on what it would have cost NEXT to purchase them independently and have been reflected as support and expenses in the statement of activities.

NEXT FOR AUTISM, INC.**Notes to Financial Statements (continued)
December 31, 2023 and December 31, 2022****Note 2 – Summary of significant accounting policies (continued)****Contributed nonfinancial assets (continued)**

A number of volunteers, including members of the Board of Directors, have donated significant amounts of their time to NEXT's program services, management and general services and fundraising campaigns. These donated services have not been recorded in the accompanying statement of activities because they do not meet the criteria for recording such services.

Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

Concentrations of credit risk

NEXT's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents and receivables. NEXT places its cash and cash equivalents with what it believes to be quality financial institutions. During the year, the balances in the NEXT's cash and cash equivalents accounts were in excess of the Federal Deposit Insurance Corporation limit; however, NEXT has not experienced any losses in these accounts to date. NEXT monitors the collectability of its receivables. As a consequence, NEXT believes concentrations of credit risk are limited with respect to its cash, cash equivalents and receivables.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain shared costs have been allocated among the program services and supporting activities benefited. Expenses attributable to more than one functional category are allocated based on time and effort.

Subsequent events

NEXT has evaluated events and transactions for potential recognition or disclosure through August 29, 2024, which is the date the financials were available to be issued.

NEXT FOR AUTISM, INC.

Notes to Financial Statements (continued) December 31, 2023 and December 31, 2022

Note 3 – Liquidity and availability of financial assets

NEXT's working capital and cash flows have variations during the year attributable to cash receipts from contributions and special events.

The following is a summary of NEXT's financial assets as of December 31, 2023 and December 31, 2022 that are available to meet cash needs for general expenditures within one year of the statement of financial position date:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 3,256,308	\$ 4,435,447
Current portion of contributions receivable	100,000	330,000
Accounts receivable	<u>647,734</u>	<u>150,377</u>
Total	<u>\$ 4,004,042</u>	<u>\$ 4,915,824</u>

Note 4 – Special events

NEXT plans a major fundraising event every two or three years. The Night of Too Many Stars event planned for April 2020 was cancelled due to the emergence of COVID-19. NEXT had collected \$411,385 related to the event and deferred the revenue until the Night of Too Many Stars event was held in 2023.

Note 5 – Computers and equipment, net

Computers and equipment, net, consist of the following as of December 31, 2023 and December 31, 2022:

	<u>2023</u>	<u>2022</u>
Computers and equipment	\$ 66,814	\$ 65,202
Less: accumulated depreciation and amortization	<u>61,323</u>	<u>56,390</u>
Total	<u>\$ 5,491</u>	<u>\$ 8,812</u>

Note 6 – Net assets with donor restrictions

The following is a summary of the net assets with donor restrictions for the year ended December 31, 2023:

	Balance at December 31, <u>2022</u>	Contributions	Net Assets Released From Restrictions	Balance at December 31, <u>2023</u>
NEXT for DSP	\$ -	\$ 25,000	\$ (25,000)	\$ -
NEXT for Fellows	-	40,000	(40,000)	-
NEXT for DEI	229,547	-	(115,432)	114,115
NEXT Connects	<u>385,418</u>	<u>-</u>	<u>(280,357)</u>	<u>105,061</u>
Total	<u>\$ 614,965</u>	<u>\$ 65,000</u>	<u>\$ (460,789)</u>	<u>\$ 219,176</u>

NEXT FOR AUTISM, INC.

Notes to Financial Statements (continued) December 31, 2023 and December 31, 2022

Note 6 – Net assets with donor restrictions (continued)

The following is a summary of the net assets with donor restrictions for the year ended December 31, 2022:

	Balance at December 31, 2021	Contributions	Net Assets Released From Restrictions	Balance at December 31, 2022
NEXT 4 Going Out	\$ 13,000	\$ -	\$ (13,000)	\$ -
NEXT for DSP	-	15,000	(15,000)	-
NEXT for DEI	50,550	225,000	(46,003)	229,547
NEXT Connects	29,500	400,000	(44,082)	385,418
Total	<u>\$ 93,050</u>	<u>\$ 640,000</u>	<u>\$ (118,085)</u>	<u>\$ 614,965</u>

Note 7 – Contributed non-financial assets

NEXT received contributed non-financial assets during the years ended December 31, 2023 and December 31, 2022, consisting of:

	<u>2023</u>	<u>2022</u>
Legal services	\$ 163,062	\$ 31,633
Supplies	62,710	10,674
Total	<u>\$ 225,772</u>	<u>\$ 42,307</u>

Note 8 – 401(k) plan

NEXT maintains a 401(k) plan (the “Plan”) for all eligible employees. Employees can contribute to the Plan in accordance with Internal Revenue Code regulations. NEXT makes discretionary contributions to the Plan. Contribution expense for 2023 and 2022 was \$43,845 and \$36,846, respectively.

Note 9 – Tax status

NEXT is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, NEXT has been determined by the Internal Revenue Service to be a publicly supported organization and not a private foundation within the meaning of Section 509(a)(1) of the Code and qualifies for the maximum charitable deduction for donors.