

**NEXT FOR AUTISM, INC.**

**Financial Statements  
for years ended  
December 31, 2022  
and  
December 31, 2021**

**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, 2022 and December 31, 2021 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, 2022 and December 31, 2021, 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.

*Carver DeLeon & Donnelly LLP*

July 13, 2023

**NEXT FOR AUTISM, INC.**  
**Statement of Financial Position**

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,435,447	\$ 6,393,729
Contributions and pledges receivable	430,000	180,922
Accounts receivable	150,377	26,442
Prepaid expenses	19,569	23,378
Property and equipment, net	8,812	6,924
<b>Total assets</b>	<b>\$ 5,044,205</b>	<b>\$ 6,631,395</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 128,442	\$ 177,372
Grants payable	100,000	95,193
Unearned revenue	409,840	421,802
Deferred employer payroll taxes	-	23,048
Deferred grant	-	309,100
Total liabilities	638,282	1,026,515
<b>Net assets</b>		
Without donor restrictions	3,790,958	5,511,830
With donor restrictions	614,965	93,050
Total net assets	4,405,923	5,604,880
<b>Total liabilities and net assets</b>	<b>\$ 5,044,205</b>	<b>\$ 6,631,395</b>

See notes to financial statements.

## NEXT FOR AUTISM, INC.

## Statement of Activities

Year Ended December 31

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenue</b>						
Contributions	\$ 797,442	\$ 640,000	\$ 1,437,442	\$ 891,538	\$ 350,000	\$ 1,241,538
Special events	485,267	-	485,267	3,867,068	-	3,867,068
Corporate consulting	10,417	-	10,417	72,483	-	72,483
Contributed non-financial assets	42,307	-	42,307	148,369	-	148,369
Interest and other	26,991	-	26,991	7,714	-	7,714
Government grant	309,100	-	309,100	252,700	-	252,700
Net assets released from restrictions	118,085	(118,085)	-	276,127	(276,127)	-
Total support and revenue	<u>1,789,609</u>	<u>521,915</u>	<u>2,311,524</u>	<u>5,515,999</u>	<u>73,873</u>	<u>5,589,872</u>
<b>Expenses</b>						
Program services						
Research, education and community services	<u>2,628,885</u>	<u>-</u>	<u>2,628,885</u>	<u>2,026,127</u>	<u>-</u>	<u>2,026,127</u>
Supporting activities						
Management and general	232,482	-	232,482	381,680	-	381,680
Fundraising	<u>649,114</u>	<u>-</u>	<u>649,114</u>	<u>434,463</u>	<u>-</u>	<u>434,463</u>
Total supporting activities	<u>881,596</u>	<u>-</u>	<u>881,596</u>	<u>816,143</u>	<u>-</u>	<u>816,143</u>
Total expenses	<u>3,510,481</u>	<u>-</u>	<u>3,510,481</u>	<u>2,842,270</u>	<u>-</u>	<u>2,842,270</u>
Increase (decrease) in net assets before loss on disposal	(1,720,872)	521,915	(1,198,957)	2,673,729	73,873	2,747,602
Loss on disposal of property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,218)</u>	<u>-</u>	<u>(25,218)</u>
Increase (decrease) in net assets	<u>(1,720,872)</u>	<u>521,915</u>	<u>(1,198,957)</u>	<u>2,648,511</u>	<u>73,873</u>	<u>2,722,384</u>
Net assets, beginning of year	<u>5,511,830</u>	<u>93,050</u>	<u>5,604,880</u>	<u>2,863,319</u>	<u>19,177</u>	<u>2,882,496</u>
Net assets, end of year	<u>\$ 3,790,958</u>	<u>\$ 614,965</u>	<u>\$ 4,405,923</u>	<u>\$ 5,511,830</u>	<u>\$ 93,050</u>	<u>\$ 5,604,880</u>

See notes to financial statements.

**NEXT FOR AUTISM, INC.**  
**Statement of Functional Expenses**

	Year Ended December 31							
	2022				2021			
	Program Services	Supporting Activities			Program Services	Supporting Activities		
	Research, Education and Community Services	Management and General	Fund- Raising	Total	Research, Education and Community Services	Management and General	Fund- Raising	Total
Salaries	\$ 844,517	\$ 143,288	\$ 317,046	\$1,304,851	\$ 1,276,844	\$ 218,820	\$ 138,371	\$ 1,634,035
Payroll taxes and employee benefits	146,519	29,674	65,659	241,852	258,410	40,801	25,801	325,012
Grants	1,345,066	-	-	1,345,066	20,095	-	-	20,095
Professional fees	156,312	46,517	90,595	293,424	203,637	77,925	111,515	393,077
Occupancy	2,324	321	789	3,434	141,587	28,092	17,605	187,284
Insurance	11,555	1,713	4,213	17,481	14,033	2,784	1,745	18,562
Telephone and internet	5,169	861	1,963	7,993	11,231	1,331	834	13,396
Supplies	2,899	113	2,625	5,637	3,639	716	449	4,804
Postage, printing and publications	2,230	185	6,472	8,887	1,388	275	1,904	3,567
Credit card and other bank fees	606	550	6,682	7,838	267	2,370	53,789	56,426
Advertising	17,400	408	11,627	29,435	1,201	40	4,685	5,926
Travel	35,330	4,438	17,947	57,715	9,061	-	215	9,276
Caterer, music and facility rental	697	-	30,190	30,887	425	-	9,664	10,089
Contributions	8,258	-	-	8,258	12,500	-	-	12,500
Database, website and webhosting	5,878	-	40,813	46,691	12,347	-	41,859	54,206
Dues and subscriptions	26,918	1,990	25,016	53,924	37,666	5,179	10,493	53,338
Other	17,207	2,424	27,477	47,108	21,796	3,347	15,534	40,677
<b>Total</b>	<b>\$ 2,628,885</b>	<b>\$ 232,482</b>	<b>\$ 649,114</b>	<b>\$3,510,481</b>	<b>\$ 2,026,127</b>	<b>\$ 381,680</b>	<b>\$ 434,463</b>	<b>\$ 2,842,270</b>

See notes to financial statements.

## NEXT FOR AUTISM, INC.

## Statement of Cash Flows

	Year Ended December 31	
	2022	2021
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets	\$ (1,198,957)	\$ 2,722,384
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	3,957	14,260
Loss on disposal of property and equipment	-	25,218
Forgiveness of PPP loan	(309,100)	-
(Increase) decrease in assets		
Contributions receivable	(249,078)	(50,922)
Accounts receivable	(123,935)	3,439
Prepaid expenses	3,809	1,034
Security deposit	-	30,818
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(48,930)	8,531
Grants payable	4,807	(107,201)
Unearned revenue	(11,962)	(2,083)
Deferred employer payroll taxes	(23,048)	(19,303)
Change in deferred grant	-	56,400
Net cash provided by (used in) operating activities	(1,952,437)	2,682,575
<b>Cash flows (used in) investing activities</b>		
Purchases of equipment	(5,845)	(7,351)
Net increase (decrease) in cash and cash equivalents	(1,958,282)	2,675,224
<b>Cash and cash equivalents, beginning of year</b>	<u>6,393,729</u>	<u>3,718,505</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,435,447</u>	<u>\$ 6,393,729</u>

See notes to financial statements.

**NEXT FOR AUTISM, INC.****Notes to Financial Statements  
December 31, 2022 and December 31, 2021****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 large national fundraising events, 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, 2022 and December 31, 2021****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, 2022 are expected to be collected in 2023 with the exception of one grant with a \$100,000 payment expected 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.

Property and equipment

NEXT capitalizes furniture and equipment expenditures over \$1,500 with a useful life greater than one year at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives which range from 3-5 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. NEXT's grant payable at December 31, 2022 is expected to be paid in 2023.

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 2022 and 2021, 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, 2022 and December 31, 2021****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 statements 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 July 13, 2023, which is the date the financials were available to be issued.

**NEXT FOR AUTISM, INC.**

**Notes to Financial Statements (continued)  
December 31, 2022 and December 31, 2021**

**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, 2022 and December 31, 2021 that are available to meet cash needs for general expenditures within one year of the statement of financial position date:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 4,435,447	\$ 6,393,729
Current portion of contributions and pledges receivable	330,000	150,922
Accounts receivable	<u>150,377</u>	<u>26,442</u>
Total	<u>\$ 4,915,824</u>	<u>\$ 6,571,093</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 is deferring the revenue until such time this event will be held. In 2021, NEXT held a virtual fundraiser, Color the Spectrum. NEXT has scheduled its fundraising event to be held on December 11, 2023.

**Note 5 – Property and equipment, net**

Property and equipment, net, consist of the following as of December 31, 2022 and December 31, 2021:

	<u>2022</u>	<u>2021</u>
Computers and equipment	\$ 65,202	\$ 59,357
Less: accumulated depreciation and amortization	<u>56,390</u>	<u>52,433</u>
Total	<u>\$ 8,812</u>	<u>\$ 6,924</u>

As a result of NEXT terminating its office space lease during 2021, which included a negotiated buyout payment, property and equipment with an original cost basis of \$82,745 and accumulated depreciation of \$57,527 were removed from NEXT's books and records resulting in a loss on disposal of \$25,218.

**Note 6 – Deferred employer payroll taxes**

In response to the coronavirus emergency, the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") was signed into law on March 27, 2020. The CARES Act provides, among other things, an option for employers to defer eligible payroll taxes due from the period beginning March 27, 2020 through December 31, 2020. Employers were treated as having timely paid these taxes retroactive to their original due dates if they were paid by the extended deadlines as follows: 50% of the deferred payroll taxes were due by December 31, 2021 with the remaining 50% due by December 31, 2022. Final payment was made on December 12, 2022.

**NEXT FOR AUTISM, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2022 and December 31, 2021**

**Note 7 – Deferred grant**

During 2021, NEXT applied for and received a second PPP loan totaling \$309,100. NEXT has elected to record the proceeds as a liability until the loan is, in part or wholly forgiven, and NEXT was legally released. During February 2022, the second PPP loan was fully forgiven and was recognized as a government grant in the 2022 statement of activities.

**Note 8 – Net assets with donor restrictions**

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 DPS	-	15,000	(15,000)	-
NEXT for DEI	50,550	225,000	(46,003)	229,547
NEXT Connects	<u>29,500</u>	<u>400,000</u>	<u>(44,082)</u>	<u>385,418</u>
Total	<u>\$ 93,050</u>	<u>\$ 640,000</u>	<u>\$ (118,085)</u>	<u>\$ 614,965</u>

The following is a summary of the net assets with donor restrictions for the year ended December 31, 2021:

	Balance at December 31, 2020	Contributions	Net Assets Released From Restrictions	Balance at December 31, 2021
NEXT 4 Going Out	\$ -	\$ 50,000	\$ (37,000)	\$ 13,000
NEXT for DPS	19,177	-	(19,177)	-
NEXT for DEI	-	200,000	(149,450)	50,550
NEXT Connects	<u>-</u>	<u>100,000</u>	<u>(70,500)</u>	<u>29,500</u>
Total	<u>\$ 19,177</u>	<u>\$ 350,000</u>	<u>\$ (276,127)</u>	<u>\$ 93,050</u>

**Note 9 – Rent and related party transactions**

During March 2018, NEXT entered into a five-year and two month lease for new office space that was due to expire in May 2023. The lease required monthly payments of approximately \$10,000 for the first year of the lease with annual increases thereafter. In connection with the lease, NEXT paid a security deposit of \$30,818 to the landlord. During 2021, NEXT terminated the lease effective October 31, 2021 and forfeited the security deposit.

**NEXT FOR AUTISM, INC.**

**Notes to Financial Statements (continued)  
December 31, 2022 and December 31, 2021**

**Note 10 – Contributed non-financial assets**

NEXT received contributed non-financial assets during the years ended December 31, 2022 and December 31, 2021, consisting of:

	2022	2021
Legal services	\$ 31,633	\$ 139,705
Supplies	10,674	8,664
Total	\$ 42,307	\$ 148,369

**Note 11 – 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 2022 and 2021 was \$36,846 and \$46,313, respectively.

**Note 12 – 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.