

**AUTISM NEW JERSEY, INC.
AND AFFILIATE**

CONSOLIDATED FINANCIAL AND

COMPLIANCE REPORT

SEPTEMBER 30, 2013 AND 2012

**AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED FINANCIAL AND
COMPLIANCE REPORT**

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INDEPENDENT AUDITORS' REPORT

**To The Board of Trustees
Autism New Jersey, Inc. and Affiliate
Robbinsville, New Jersey**

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Autism New Jersey, Inc. and Affiliate, which comprise the statements of financial position as of September 30, 2013 and 2012, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 the entity'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 the entity'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

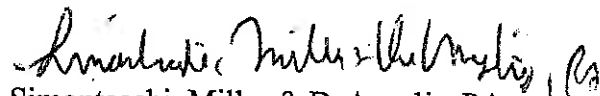
In our opinion, the consolidated financial statements referred to above presents fairly, in all material respects, the financial position of Autism New Jersey, Inc. and Affiliate as of September 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of State Awards as required by State of New Jersey Circular 04-04, Single Audit Policy For Recipients of State Grants is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2014, on our consideration of Autism New Jersey, Inc. and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Autism New Jersey, Inc. and Affiliate's internal control over financial reporting and compliance.


Simontacchi, Miller & DeAngelis, PA
Rockaway, New Jersey
January 20, 2014

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
SEPTEMBER 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Current Assets		
Cash and Cash Equivalents	\$ 335,863	\$ 118,895
Investments		
Unrestricted	833,977	976,138
Restricted for line of credit		217,781
State Grant Receivable	62,313	-
Accounts Receivable	35,463	63,367
Current Portion of Contribution Receivable	5,000	10,000
Prepaid expenses and other current assets	<u>52,117</u>	<u>25,719</u>
Total Current Assets	1,324,733	1,411,900
Contribution Receivable, Net of Current Portion	20,000	30,000
Property and Equipment, Net	211,081	201,962
Security Deposit	<u>35,000</u>	<u>35,000</u>
Total Assets	<u>\$1,590,814</u>	<u>\$1,678,862</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Bank Line of Credit	\$ -	\$ -
Accounts Payable and accrued expenses	77,850	38,018
Deferred revenue	181,794	220,560
Current portion of mortgage payable	<u>8,144</u>	<u>7,595</u>
Total Current Liabilities	267,788	266,173
Long-term Liability - mortgage payable, net of current portion	85,358	93,871
Deferred Rent Liability	<u>10,637</u>	<u>12,648</u>
Total Liabilities	<u>363,783</u>	<u>372,692</u>
Commitments and Contingencies		
<u>Net Assets</u>		
Unrestricted net assets	1,227,031	1,294,353
Temporarily restricted net assets	<u>-</u>	<u>11,817</u>
Total Net Assets	<u>1,227,031</u>	<u>1,306,170</u>
Total Liabilities and Net Assets	<u>\$1,590,814</u>	<u>\$1,678,862</u>

See Notes to Consolidated Financial Statements

**AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF
ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2013 AND 2012**

	<u>2013</u>			<u>2012</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenues						
Government Grants	\$ 437,289	\$ -	\$ 437,289	\$ 538,423	\$ -	\$ 538,423
General Agency Grant	8,900	-	8,900	-	-	-
Contributions and Bequests	513,868	-	513,868	521,815	-	521,815
Conference Fees	281,425	-	281,425	232,500	-	232,500
Special Events	155,960	-	155,960	148,250	-	148,250
Membership Dues	111,489	-	111,489	92,124	-	92,124
Program Fees and Other Income	82,767	-	82,767	61,307	-	61,307
Investment Income	<u>67,709</u>	<u>-</u>	<u>67,709</u>	<u>169,069</u>	<u>-</u>	<u>169,069</u>
Total Support and Revenues	<u>1,659,407</u>	<u>-</u>	<u>1,659,407</u>	<u>1,763,488</u>	<u>-</u>	<u>1,763,488</u>
Expenses						
Program Services	1,097,220	11,817	1,109,037	1,309,204	2,313	1,311,517
Management and General	308,652	-	308,652	511,699	-	511,699
Fund Raising	<u>320,857</u>	<u>-</u>	<u>320,857</u>	<u>317,668</u>	<u>-</u>	<u>317,668</u>
Total Expenses	<u>1,726,729</u>	<u>11,817</u>	<u>1,738,546</u>	<u>2,138,571</u>	<u>2,313</u>	<u>2,140,884</u>
Changes in Net Assets	(67,322)	(11,817)	(79,139)	(375,083)	(2,313)	(377,396)
Net Assets						
Beginning Balance	<u>1,294,353</u>	<u>11,817</u>	<u>1,306,170</u>	<u>1,669,436</u>	<u>14,130</u>	<u>1,683,566</u>
Ending Balance	<u>\$1,227,031</u>	<u>\$ -</u>	<u>\$1,227,031</u>	<u>\$1,294,353</u>	<u>\$ 11,817</u>	<u>\$1,306,170</u>

See Notes to Consolidated Financial Statements

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF
FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2013

SUPPORTING SERVICES

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Accounting/Legal	\$ 12,447	\$ 13,720	\$ -	\$ 13,720	\$ 26,167
Advertising	3,272	400	-	400	3,672
Bank Charges	3,859	6,432	5,214	11,646	15,505
Board Expense	-	312	-	312	312
Computer Expenses	20,570	4,180	3,628	7,808	28,378
Condo Fees	-	5,445	-	5,445	5,445
Conferences	2,472	3,129	376	3,505	5,977
Contract Services/Consulting	105,226	16,931	4,707	21,638	126,864
Depreciation and Amortization	-	28,407	-	28,407	28,407
Dues and Subscriptions	1,760	-	-	-	1,760
Employee Insurance	63,800	12,172	14,438	26,610	90,410
Equipment and Maintenance	45,946	9,993	12,819	22,812	68,758
Event Costs	111,254	-	115,063	115,063	226,317
Insurance	9,334	1,073	1,991	3,064	12,398
Interest	-	5,159	-	5,159	5,159
Occupancy Costs	76,964	15,485	16,971	32,456	109,420
Other Program Expenses	26,129	-	-	-	26,129
Payroll Taxes	45,460	10,031	12,125	22,156	67,616
Pension	10,945	4,058	3,751	7,809	18,754
Postage	7,271	2,904	3,812	6,716	13,987
Printing	50,407	508	5,439	5,947	56,354
Salaries	469,862	155,525	114,586	270,111	739,973
Supplies	10,325	6,798	918	7,716	18,041
Telephone	5,042	1,699	1,082	2,781	7,823
Travel, Meals and Entertainment	16,012	788	1,207	1,995	18,007
Utilities	<u>10,680</u>	<u>3,503</u>	<u>2,730</u>	<u>6,233</u>	<u>16,913</u>
Total	<u>\$1,109,037</u>	<u>\$ 308,652</u>	<u>\$ 320,857</u>	<u>\$ 629,509</u>	<u>\$1,738,546</u>

See Notes to Consolidated Financial Statements

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF
FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2012

SUPPORTING SERVICES

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Accounting	\$ 29,178	\$ 34,252	\$ -	\$ 34,252	\$ 63,430
Advertising	3,882	-	-	-	3,882
Bank Charges	7,325	7,681	5,410	13,091	20,416
Board Expense	-	342	-	342	342
Computer Expenses	19,471	5,261	5,004	10,265	29,736
Condo Fees	-	5,286	-	5,286	5,286
Conferences	8,542	3,706	832	4,538	13,080
Contract Services/Consulting	90,084	25,040	8,092	33,132	123,216
Depreciation and Amortization	-	28,080	-	28,080	28,080
Dues and Subscriptions	3,014	1,794	-	1,794	4,808
Employee Insurance	71,346	27,025	9,729	36,754	108,100
Equipment and Maintenance	54,303	13,168	13,637	26,805	81,108
Event Costs	94,406	30	131,873	131,903	226,309
Insurance	7,220	1,860	1,860	3,720	10,940
Interest	-	11,012	-	11,012	11,012
Occupancy Costs	59,072	34,508	14,876	49,384	108,456
Other Program Expenses	21,270	8,982	3,089	12,071	33,341
Payroll Taxes	59,260	22,749	8,110	30,859	90,119
Pension	15,103	8,818	3,175	11,993	27,096
Postage	12,349	1,635	7,639	9,274	21,623
Printing	50,407	655	10,574	11,229	61,636
Salaries	658,163	245,519	87,346	332,865	991,028
Supplies	5,703	15,258	650	15,908	21,611
Telephone	5,846	2,640	1,343	3,983	9,829
Travel, Meals and Entertainment	23,402	2,118	1,294	3,412	26,814
Utilities	12,171	4,280	3,135	7,415	19,586
Total	<u>\$1,311,517</u>	<u>\$ 511,699</u>	<u>\$ 317,668</u>	<u>\$ 829,367</u>	<u>\$2,140,884</u>

See Notes to Consolidated Financial Statements

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF
CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Changes in Net Assets	\$ (79,139)	\$ (377,396)
Adjustments to reconcile changes in Net Assets to		
Net Cash provided by (used in) operating activities:		
Depreciation and Amortization	28,407	28,080
Net Unrealized Losses (Gains) on Investments	(21,545)	(79,057)
Realized Gain on Sale of Investments	(20,571)	(60,372)
Change in Operating Assets and Liabilities:		
State Grant Receivable	(62,313)	-
Decrease (Increase) in Accounts Receivable	27,904	(25,936)
Contribution Receivable Received	15,000	-
Decrease (Increase) in Prepaid Expenses and Other		
Current Assets	(26,398)	9,786
Increase (Decrease) in Accounts Payable and Accrued		
Expenses	39,832	(48,698)
Increase (Decrease) in Deferred Revenue	(38,766)	40,901
Decrease in Deferred Rent Liability	(2,011)	(2,011)
Net Cash Provided by (Used In) Operating Activities	<u>(139,600)</u>	<u>(514,703)</u>
Cash Flows From Investing Activities		
Purchases of Property and Equipment	(37,526)	-
Purchases of Investments	(408,081)	(397,490)
Proceeds from Sale of Investments	592,358	978,978
Restricted Certificate of Deposit Liquidated	217,781	-
Net Cash provided by (Used In) Investing Activities	<u>364,532</u>	<u>581,488</u>
Cash Flows From Financing Activities		
Net Utilization of Bank Line of Credit	-	(50,000)
Payments on Long-Term Debt	(7,964)	(6,883)
Net Cash Provided By (Used In) Financial Activities	<u>(7,964)</u>	<u>(56,883)</u>
Net Increase in Cash and Cash Equivalents	216,968	9,902
Cash and Cash Equivalents - Beginning of Year	<u>\$ 118,895</u>	<u>\$ 108,993</u>
Cash and Cash Equivalents - End of Year	<u>\$ 335,863</u>	<u>\$ 118,895</u>
Supplemental Disclosure of Cash Flow Information:		
Cash Paid During the Year for Interest	<u>\$ 5,159</u>	<u>\$ 11,012</u>

See Notes to Consolidated Financial Statements

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 1 Nature of Organization

Autism New Jersey, Inc. ("ANJ") was incorporated to assist families, individuals and agencies concerned with the welfare and education of children and adults with autism. Funding for ANJ is derived from contributions and State of New Jersey contracts. ANJ provides a variety of programs including information and advocacy, parent and professional education and support services, which promote the general well-being of individuals with autism living in New Jersey.

Autism New Jersey Charitable Foundation, Inc. is an affiliated organization formed during 2005 to promote the interests of people with autism exclusively by raising funds on behalf of and distributing funds to ANJ. These entities are collectively referred to as the "Organization".

Note 2 Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include accounts of Autism New Jersey, Inc. and Affiliate (Autism New Jersey Charitable Foundation, Inc.), which have been consolidated. All inter-company accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The accompanying consolidated financial statements of the Organization have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to not-for-profit entities.

Basis of Presentation

The financial statement presentation follows the requirements of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, Financial Statements of Not-For-Profit Organizations. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization has no permanently restricted net assets, and its unrestricted net assets represent resources over which the board of trustees has discretionary control to use for operations, and are not subject to donor composed restrictions.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 2 Summary of Significant Accounting Policies (cont'd)

Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Investments

Investments are reported at fair value. ASC 820, Fair Value Measurements, provides a framework for measuring fair value under GAAP, and applies to all financial instruments that are being measured and reported on a fair value basis.

ASC 820 sets out a fair value hierarchy and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fair value hierarchy is defined as follows:

- Level 1: Inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities that the Association has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3: Inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimates.

Realized and unrealized gains and losses are included in investment income in the consolidated statements of activities and changes in net assets. Purchases and sales of securities are recorded on a trade-date basis. In calculating realized gains and losses, the cost of securities sold is determined by the specific-identification method. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investments are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment assets reported in the Statements of Financial Position.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 2 **Summary of Significant Accounting Policies (cont'd)**

Property and Equipment:

Property and equipment is recorded at cost. Depreciation is being provided for over the estimated useful lives of the assets of five to forty years utilizing the straight-line method.

Maintenance and repairs are charged to operations when incurred. Expenditures that substantially increase estimated useful lives are capitalized. When property and equipment is sold or otherwise disposed of, the asset accounts and related accumulated depreciation account is relieved and any gain or loss is included in the consolidated statements of activities and changes in net assets.

Contributed property and equipment is recorded at fair value at the date of donation. When donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Allowance for Doubtful Accounts:

The Organization reviews the collectibility of its receivables annually. At September 30, 2013 and 2012, no allowance for doubtful accounts was deemed necessary.

Revenue and Support Recognition:

In accordance with ASC 958, Financial Statements of Not-For-Profit Organizations, the Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. However, restricted contributions whose restrictions expire or are otherwise satisfied within the period of receipt are reported as unrestricted revenues in the consolidated statements of activities and changes in net assets.

Contributions, including unconditional promises to give, are recorded when made at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows, discounted at a rate commensurate with the risks involved. Amortization of the discount is included as an offset against contributions revenue.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 2 **Summary of Significant Accounting Policies (cont'd)**

Revenue and Support Recognition (cont'd)

Conference fees, community events, membership dues and program fees are recognized during the period in which they are earned. Conference fees, community events, membership dues and program fees received in advance are deferred until earned and reflected as deferred revenue in the consolidated statement of financial position.

Contributions of donated noncash assets to be used to raise funds at the annual auction are recorded at their fair values in the period received. These items are donated and then sold at the annual auction, and the proceeds of this auction in excess of the fair value previously recorded are included in special events in the consolidated statements of activities and changes in net assets. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received. During the years ended September 30, 2013 and 2012, the value of contributed services meeting the requirements for recognition in the consolidated financial statements was not material and has not been recorded.

Revenue from the Federal grant is recorded when expenditures are incurred and are billable to the government. The State grant is a monthly electronic funds transfer, which is paid in twelve increments.

Allocation of Expenses:

Expenses are allocated between program services, management and general, and fund-raising based on historical percentages using the direct cost method, or other reasonable basis consistent with the benefit derived.

Income Taxes:

The Internal Revenue Service ("IRS") has determined that the Organization is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (the "Code") and from state and local income taxes under comparable laws. As a not-for-profit entity, the Organization is subject to unrelated business income tax ("UBIT"), if applicable. For the tax years ended September 30, 2013 and 2012, the Organization did not owe any UBIT.

Management has evaluated the Organization's tax positions for all open tax years and has concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of GAAP. Generally, the Organization is no longer subject to income tax examinations by U.S. Federal, State or Local tax authorities for years before 2009, which is the standard statute of limitations look-back period.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 2 Summary of Significant Accounting Policies (cont'd)

Estimates:

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Advertising:

Advertising costs for the years ended September 30, 2013 and 2012 amounted to \$3,672 and \$3,882, respectively, and were expensed as incurred.

Concentration of Market and Credit Risks:

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments.

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any credit risk-related losses. In order to control market risk, the Organization has an investment committee that oversees its investment portfolio and performs an ongoing evaluation of its investment manager. In the fiscal years ended September 30, 2013 and 2012, approximately 100% and 82% of the Organization's investments were held by one investment manager, respectively.

Subsequent Events:

The Organization evaluated subsequent events occurring after the date of the consolidated financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the consolidated financial statements. Such evaluation is performed through January 17, 2014, the date the consolidated financial statements were available for issuance.

Note 3 Investments

The following table summarize the Organization's investments measured at fair value on a recurring basis segregated by the level of valuation inputs within the fair value hierarchy utilized to measure fair value as of September 30, 2013 and 2012:

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 3 Investments

		2013		
		<u>Fair Value Measurements Using</u>		
<u>Description</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Equities	\$ 259,103	\$ 259,103	\$ -	\$ -
Equity Funds	113,038	-	113,038	-
Short-term Bond Fund	-	-	-	-
Intermediate-term Bond Fund	461,836	-	461,836	-
Certificate of Deposit	-	-	-	-
	<u>\$ 833,977</u>	<u>\$ 259,103</u>	<u>\$ 574,874</u>	<u>\$ -</u>

		2012		
		<u>Fair Value Measurements Using</u>		
<u>Description</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Equities	\$ 49,523	\$ 49,523	\$ -	\$ -
Equity Funds	402,930	-	402,930	-
Short-term Bond Fund	887	-	887	-
Intermediate-term Bond Fund	522,798	-	522,798	-
Certificate of Deposit	217,781	-	217,781	-
	<u>\$1,193,919</u>	<u>\$ 49,523</u>	<u>\$1,144,396</u>	<u>\$ -</u>

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 3 **Investments (cont'd)**

Investments in securities traded on a national securities exchange are stated at the last reported sales price on the day of valuation. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are stated at the last quoted bid price. Investments in regulated investment companies or collective investment funds that do not trade on an exchange are valued at the net asset value per share/unit on the valuation date. U.S. government debt and corporate bonds are valued based on the last reported bid provided by broker-dealers. Certificates of deposit are valued using a matrix based on interest rates.

For the years ended September 30, 2013 and 2012, investment income consists of the following:

	<u>2013</u>	<u>2012</u>
Interest and Dividends	\$ 25,593	\$ 29,640
Net Realized Gains	20,571	60,372
Net Unrealized Gains (Losses)	<u>21,545</u>	<u>79,057</u>
Investment Income	67,709	169,069
Less Investment Management Fees	<u>(4,469)</u>	<u>(7,050)</u>
Net Investment Income	<u>\$ 63,240</u>	<u>\$ 162,019</u>

Note 4 **Contribution Receivable**

In January 2011, the Charitable Foundation was awarded a \$50,000 unrestricted gift pledge payable over a five year period at \$10,000 per year. As of September 30, 2013 and 2012, \$25,000 and \$10,000, respectively, has been received. The Donor has stated that the remaining \$25,000 will be paid during the following years:

2013	\$ 5,000
2014	10,000
2015	<u>10,000</u>
	<u>\$25,000</u>

The Charitable Foundation has elected not to record the remaining pledge using present value of estimated cash flows at a discounted rate. This amount has been deemed immaterial to the financial statements taken as a whole.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 5 **Property and Equipment**

Property and equipment at September 30, 2013 and 2012 consists of the following:

	Estimated Useful Life (Years)	<u>2013</u>	<u>2012</u>
Condominium	40	\$ 201,660	\$ 201,660
Office Equipment	7	291,522	258,996
Improvements	40	32,014	32,014
Furniture and Fixtures	5	<u>81,586</u>	<u>81,586</u>
		606,782	574,256
Less Accumulated Depreciation		<u>395,701</u>	<u>372,294</u>
		<u>\$ 211,081</u>	<u>\$ 201,962</u>

Note 6 **Bank Line of Credit**

On March 5, 2009, the Organization entered into a \$200,000 revolving line of credit with a financial institution that matured in March 2010. This line of credit was subsequently renewed through April annually upon its expiration, and was not automatically renewed in April 2013. Borrowings under this credit facility are for general operating needs of the Organization. Interest charged on the unpaid principal balance on the line of credit is at prime plus .50% with a minimum rate of 4.25%. There was an outstanding balance on the revolving line of credit of \$-0- and \$- 0 - at September 30, 2013 and 2012, respectively. The line of credit is secured by a certificate of deposit that is reported as an investment restricted for line of credit on the consolidated statements of financial position.

Note 7 **Mortgage Payable**

The mortgage payable is secured by the condominium located at 1450 Parkside Avenue, with interest at the rate of 7.00% per annum. Monthly payments of \$1,198 of principal and interest are payable until maturity in August 2022. Mortgage payable at September 30, 2013 and 2012 consists of the following:

	<u>2013</u>	<u>2012</u>
Mortgage Payable	\$ 93,502	\$101,466
Less Current Portion	<u>8,144</u>	<u>7,595</u>
Mortgage Payable - Long-term	<u>\$ 85,358</u>	<u>\$ 93,871</u>

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 7 **Mortgage Payable (cont'd)**

Required principal payments subsequent to September 30, 2013 are as follows:

Year Ending September 30,

2014	\$ 8,144
2015	8,733
2016	9,374
Thereafter	<u>59,107</u>
	<u>\$ 85,358</u>

Note 8 **Defined Contribution Plan**

The Organization maintains an incentive savings Section 403(b) defined contribution plan for substantially all employees. The plan provides that eligible employees may defer payments of taxes on a portion of their salary as allowed by Section 403(b) of the Code. Participants vest immediately in their contribution. The Organization does not contribute funds to this plan.

The Organization also maintains a Simple IRA plan that covers all employees who have attained age 18 and completed one year of service with the Organization. The plan provides that eligible employees may defer payment of taxes on a portion of their salary as allowed by Section 401(k) of the Code. The employer's matching contributions are equal to 100% of the participant's elective deferrals up to 3% of the employee's eligible compensation. For the years ended September 30, 2013 and 2012, pension expense was \$18,754 and \$27,096, respectively.

Note 9 **Commitments and Contingencies**

In February 2010, the Organization entered into an operating lease agreement (the "lease") for new building space with monthly lease payments of \$7,926 that commenced August 1, 2010 and expires February 29, 2016. The lease is also subject to escalation clauses for taxes and other building operating expenses. The lease provides for seven months of free rent throughout the duration of the lease term. Deferred rent payable of \$10,637 and \$12,648 is the difference between the cumulative amounts recorded for occupancy costs on a straight-line basis over the term of the lease, as compared to the cumulative required amounts paid under the lease as of September 30, 2013 and 2012, respectively.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 9 **Commitments and Contingencies (cont'd)**

Rent expense was approximately \$85,000 and \$85,000 for the years ended September 30, 2013 and 2012, respectively. In addition, the Organization leases equipment under various noncancellable operating leases that expire on various dates through fiscal year 2015.

Future minimum payments on all noncancellable lease obligations are as follows:

Year Ending September 30,

2014	\$102,756
2015	97,136
2016	<u>39,630</u>
	<u><u>\$239,522</u></u>

The Organization has received funds from the State of New Jersey that may be subject to audit by the funding sources. Such audit might result in disallowance of costs submitted for reimbursements. Management is of the opinion that such cost disallowance, if any, will not have a material effect on the accompanying consolidated financial statements for such potential claims.

The Organization has previously received funds from the State of New Jersey, Division of Developmental Disabilities ("DDD") for the purchase of certain equipment. Title to all equipment purchased in whole or in part under a DDD contract is held by the Organization. The State, however, maintains an equitable interest in this equipment. For equipment having an acquisition cost of \$5,000 or more for which the purchase price was entirely paid by DDD funds, DDD has the right to require transfer of the equipment and title to the State or to an eligible non-state party named by DDD. This transfer may occur at any time.

Note 10 **Temporarily Restricted Net Assets**

Temporarily restricted net assets of \$ - 0 - and \$11,817 at September 30, 2013 and 2012, are comprised of amounts that are restricted for education and time-restricted to future periods.

AUTISM NEW JERSEY, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

Note 11 **Concentration of Revenue**

During the years ended September 30, 2013 and 2012, the Organization received approximately 2% and 28 %, respectively, of its support and revenues from the State of New Jersey, Departments of Human Services and the Treasury. This contract was expired on June 30, 2013. During the year ended September 30, 2013, the Organization received approximately 20% of its support and revenues from the State of New Jersey, Department of Children and Families. That grant was effective January 1, 2013, and will renew annually starting July 1, 2013, totaling \$450,000. Actual expenditures for the period July 1, 2013 through September 30, 2013 exceeded the portion of the grant received by \$18,463, which will be funded by the subsequent month's portion received. Any significant reduction in the level of support from the State of New Jersey, Departments of Human Services and the Treasury and Department of Children and Families could have a material adverse effect on the Organization's programs.

On January 2, 2014, the Organization was approved by the New Jersey Department of Health for a new Grant for Autism, totaling \$249,250, for the period July 1, 2013 through June 30, 2014. For the year ended September 30, 2013, the \$62,313 State Grant Receivable was recorded as Government Grants on the Statement of Activities and Changes in Net Assets.

Note 12 **Subsequent Events**

On November 1, 2013, the Condominium located at 1450 Parkside Avenue in Ewing, New Jersey was sold. The contract sale price was \$87,100 and the payoff of the Mortgage Payable was \$92,776. There was also accrued interest, fees and a prepayment premium totaling \$2,812. As a result of the above and additional closing costs, ANJ paid \$14,916 at closing.

Effected on September 13, 2013, by written consent of all its members entitled to vote thereon, Autism New Jersey Charitable Foundation, Inc. elected to dissolve. A Plan of Dissolution was duly adopted by the Corporation on September 25, 2013. All assets of the Corporation have been fairly applied, to the extent possible, to pay the liabilities. The Certificate of Dissolution was filed and recorded with the State of New Jersey on October 15, 2013. The remaining assets of \$826,442 were transferred over to ANJ by September 30, 2013.

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2013

	<u>ANJ</u>	<u>Foundation</u>	<u>Elimination</u>	<u>Total</u>
<u>Assets</u>				
Current Assets				
Cash and Cash Equivalents	\$ 327,966	\$ -	\$ -	\$ 327,966
Investments:				
Unrestricted	841,874	-	-	841,874
Restricted for Line of Credit	-	-	-	-
State Grant Receivable	62,313	-	-	62,313
Accounts Receivable	35,463	-	-	35,463
Current portion of Contribution Receivable	5,000	-	-	5,000
Due from Affiliate	-	-	-	-
Prepaid Expenses and Other Current Assets	<u>52,117</u>	<u>-</u>	<u>-</u>	<u>52,117</u>
Total Current Assets	1,324,733	-	-	1,324,733
Contribution Receivable, Net of Current Portion	20,000	-	-	20,000
Property and Equipment, Net	211,081	-	-	211,081
Security Deposit	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total Assets	<u>\$1,590,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,590,814</u>
<u>Liabilities and Net Assets</u>				
Current Liabilities				
Bank Line of Credit	\$ -	\$ -	\$ -	\$ -
Accounts Payable and Accrued Expenses	77,850	-	-	77,850
Due to Affiliate	-	-	-	-
Deferred Revenue	181,794	-	-	181,794
Current Portion of Mortgage Payable	<u>8,144</u>	<u>-</u>	<u>-</u>	<u>8,100</u>
Total Current Liabilities	267,788	-	-	267,744
Long-term Liability - Mortgage Payable, Net of Current Portion	85,358	-	-	85,402
Deferred Rent Liability	<u>10,637</u>	<u>-</u>	<u>-</u>	<u>10,637</u>
Total Liabilities	<u>363,783</u>	<u>-</u>	<u>-</u>	<u>363,783</u>
Commitments and Contingencies				
Net Assets:				
Unrestricted Net Assets	1,227,031	-	-	1,227,031
Temporarily Restricted Net Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Assets	<u>1,227,031</u>	<u>-</u>	<u>-</u>	<u>1,227,031</u>
Total Liabilities and Net Assets	<u>\$1,590,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,590,814</u>

See Auditors' Report

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2012

	<u>ANJ</u>	<u>Foundation</u>	<u>Elimination</u>	<u>Total</u>
<u>Assets</u>				
Current Assets				
Cash and Cash Equivalents	\$ 105,239	\$ 13,656	\$ -	\$ 118,895
Investments:				
Unrestricted	251,541	724,597	-	976,138
Restricted for Line of Credit	217,781	-	-	217,781
Accounts Receivable	63,367	-	-	63,367
Current portion of Contribution Receivable	-	10,000	-	10,000
Due from Affiliate	-	1,025	(1,025)	-
Prepaid Expenses and Other Current Assets	<u>25,719</u>	<u>-</u>	<u>-</u>	<u>25,719</u>
Total Current Assets	663,647	749,278	(1,025)	1,411,900
Contribution Receivable, Net of Current Portion	-	30,000	-	30,000
Property and Equipment, Net	201,962	-	-	201,962
Security Deposit	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total Assets	<u>\$ 900,609</u>	<u>\$ 779,278</u>	<u>\$ (1,025)</u>	<u>\$1,678,862</u>
<u>Liabilities and Net Assets</u>				
Current Liabilities				
Bank Line of Credit	\$ -	\$ -	\$ -	\$ -
Accounts Payable and Accrued Expenses	38,018	-	-	38,018
Due to Affiliate	1,025	-	(1,025)	-
Deferred Revenue	220,560	-	-	220,560
Current Portion of Mortgage Payable	<u>7,595</u>	<u>-</u>	<u>-</u>	<u>7,595</u>
Total Current Liabilities	267,198	-	(1,025)	266,173
Long-term Liability - Mortgage Payable, Net of Current Portion	93,871	-	-	93,871
Deferred Rent Liability	<u>12,648</u>	<u>-</u>	<u>-</u>	<u>12,648</u>
Total Liabilities	<u>373,717</u>	<u>-</u>	<u>(1,025)</u>	<u>372,692</u>
Commitments and Contingencies				
Net Assets:				
Unrestricted Net Assets	515,075	779,278	-	1,294,353
Temporarily Restricted Net Assets	<u>11,817</u>	<u>-</u>	<u>-</u>	<u>11,817</u>
Total Net Assets	<u>526,892</u>	<u>779,278</u>	<u>-</u>	<u>1,306,170</u>
Total Liabilities and Net Assets	<u>\$ 900,609</u>	<u>\$ 779,278</u>	<u>\$ (1,025)</u>	<u>\$1,678,862</u>

See Auditors' Report

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2013

	<u>A N J</u>		<u>FOUNDATION</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Elimination</u>	<u>Total</u>
Support and Revenues:						
Government Grants	\$ 437,289	\$ -	\$ -	\$ -	\$ -	\$ 437,289
General Agency Grant	8,900	-	-	-	-	8,900
Contributions and Bequests	1,340,310	-	-	-	(826,442)	513,868
Conference Fees	281,425	-	-	-	-	281,425
Special Events	155,960	-	-	-	-	155,960
Membership Dues	111,489	-	-	-	-	111,489
Program Fees and Other Income	82,767	-	-	-	-	82,767
Investment Income	<u>18,120</u>	<u>-</u>	<u>49,589</u>	<u>-</u>	<u>-</u>	<u>67,709</u>
Total Support and Revenues	<u>2,436,260</u>	<u>-</u>	<u>49,589</u>	<u>-</u>	<u>(826,442)</u>	<u>1,659,407</u>
Expenses:						
Program Services	1,097,220	11,817	826,442	-	(826,442)	1,109,037
Management and General	306,227	-	2,425	-	-	308,652
Fund-Raising	<u>320,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320,857</u>
Total Expenses	<u>1,724,304</u>	<u>11,817</u>	<u>828,867</u>	<u>-</u>	<u>(826,442)</u>	<u>1,738,546</u>
Changes in Net Assets	711,956	(11,817)	(779,278)	-	-	(79,139)
Net Assets:						
Beginning Balance	<u>515,075</u>	<u>11,817</u>	<u>779,278</u>	<u>-</u>	<u>-</u>	<u>1,306,170</u>
Ending Balance	<u>\$ 1,227,031</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$1,227,031</u>

See Auditors' Report

AUTISM NEW JERSEY, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2012

	<u>A N J</u>		<u>FOUNDATION</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Elimination</u>	<u>Total</u>
Support and Revenues:						
Government Grants	\$ 538,423	\$ -	\$ -	\$ -	\$ -	\$ 538,423
Contributions and Bequests	514,897	-	6,918	-	-	521,815
Conference Fees	232,500	-	-	-	-	232,500
Special Events	129,832	-	18,418	-	-	148,250
Membership Dues	92,124	-	-	-	-	92,124
Program Fees and Other Income	59,107	-	2,200	-	-	61,307
Investment Income	<u>84,980</u>	<u>-</u>	<u>84,089</u>	<u>-</u>	<u>-</u>	<u>169,069</u>
Total Support and Revenues	<u>1,651,863</u>	<u>-</u>	<u>111,625</u>	<u>-</u>	<u>-</u>	<u>1,763,488</u>
Expenses:						
Program Services	1,307,060	2,313	2,144	-	-	1,311,517
Management and General	508,216	-	3,483	-	-	511,699
Fund-Raising	<u>293,891</u>	<u>-</u>	<u>23,777</u>	<u>-</u>	<u>-</u>	<u>317,668</u>
Total Expenses	<u>2,109,167</u>	<u>2,313</u>	<u>29,404</u>	<u>-</u>	<u>-</u>	<u>2,140,884</u>
Changes in Net Assets	(457,304)	(2,313)	82,221	-	-	(377,396)
Net Assets:						
Beginning Balance	<u>972,379</u>	<u>14,130</u>	<u>697,057</u>	<u>-</u>	<u>-</u>	<u>1,683,566</u>
Ending Balance	<u>\$ 515,075</u>	<u>\$ 11,817</u>	<u>\$ 779,278</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,306,170</u>

See Auditors' Report

**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**To The Board of Trustees
Autism New Jersey, Inc. and Affiliate
Robbinsville, New Jersey**

We have audited the consolidated financial statements of Autism New Jersey, Inc. and Affiliate (the "Organization") as of and for the year ended September 30, 2013 and have issued a report thereon dated January 20, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Organization is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

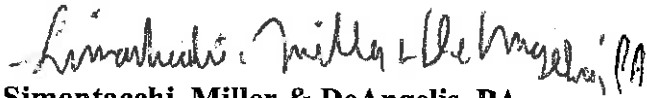
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the audit and finance committees, management and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Simontacchi, Miller & DeAngelis, PA

Rockaway, New Jersey

January 20, 2014

**Independent Auditors' Report on Compliance with Requirements Applicable That Could Have a
Direct and Material Effect on Each Major Program and Internal Control over Compliance
in Accordance with the State of New Jersey, Department of the Treasury, OMB Circular 04-04**

**To The Board of Trustees
Autism New Jersey, Inc. and Affiliate
Robbinsville, New Jersey**

Compliance

We have audited the compliance of Autism New Jersey, Inc. and Affiliate with the types of compliance requirements described in the *New Jersey State Grants Compliance Supplement*, that could have a direct and material effect on its major state programs for the year ended September 30, 2013. The Organization's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of Company's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and New Jersey OMB Circular 04-04. Those standards and New Jersey OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Autism New Jersey, Inc. and Affiliate's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Autism New Jersey, Inc. and Affiliate's compliance with those requirements.

In our opinion, Autism New Jersey, Inc. and Affiliate complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2013. The results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with New Jersey OMB Circular 04-04 and which are described in the accompanying schedule of findings and questioned costs.

Internal Control Over Compliance

Management of Autism New Jersey, Inc. and Affiliate is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected on a timely basis..

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit and finance committees, management and state awarding agencies and pass-through entities and is not intended to be used and should not be used by anyone other than these specified parties.



Simontacchi, Miller & DeAngelis, PA

Rockaway, New Jersey

January 20, 2014

AUTISM NEW JERSEY, INC. AND AFFILIATE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2013
(SEE NOTE 11)

<u>State Grantor/ Pass-Through Grantor/ Program Title</u>	<u>State Contract Number</u>	<u>Grant Period</u>	<u>Expenditures</u>	<u>Receivable September 30, 2013</u>
State Award:				
State of NJ, Department of Human Services, Division of Developmental Disabilities	19LX13C	10/1/12-6/30/13	N <u>\$ 37,475</u>	<u>\$ - 0 -</u>
State of NJ, Department of Children And Families, Division of CSOC	13LMLR	1/1/13-6/30/13	\$225,000	
	14LMLR	7/1/13-9/30/13	<u>\$112,500</u>	
			M <u>\$337,500</u>	<u>\$ - 0 -</u>
State of NJ, Department of Health and Senior Services		7/1/13-9/30/13	N <u>\$ - 0 -</u>	<u>\$ 62,313</u>

M = Denotes a Major Program

N = Denotes a Non-Major Program

Note 1. Basis of Accounting

The accompanying Schedule of Expenditures of State Awards includes the State grant activity of the Organization under programs of the State of New Jersey for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of the State of New Jersey, Department of Treasury, OMB Circular 04-04-OMB. Because the schedule presents only a selection portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

**AUTISM NEW JERSEY, INC. AND AFFILIATE
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013**

I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

- Material weakness(es) identified ___ Yes X No
- Significant deficiency(s) identified ___ Yes X None Reported
- Noncompliance material to financial statements noted? ___ Yes X No

State Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(s) identified that are not considered to be material weakness(es)? ___ Yes X None Reported

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB Circular 04-04?

___ Yes X No

Identification of major Program:

State Contract Number

14LMLR

Name of State Program or Cluster

State of New Jersey, Department of
Children and Families

Dollar threshold used to distinguish between type A and Type B programs:

_____ \$300,000 _____

Auditee qualified as low-risk auditee?

___ Yes X No

**AUTISM NEW JERSEY, INC. AND AFFILIATE
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013**

II - Financial Statement Findings

Current year Findings:

No matters reported in the current year.

III - State Award Findings and Questioned Costs

No matters reported in the current year.

**AUTISM NEW JERSEY, INC. AND AFFILIATE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2012**

- There Were No Audit Findings For This Year.

AUTISM NEW JERSEY, INC. AND AFFILIATE
BUDGET TO EXPENSE SCHEDULE
NJDHS GRANT # 19LX13C
YEAR ENDED SEPTEMBER 30, 2013

<u>Budget Category</u>	Budget Amount 10/1/12 - <u>6/30/13</u>	Actual Expenditures 10/1/12 - <u>6/30/13</u>	Budget Variance
Personnel	\$ 31,651	\$ 21,137	\$ (10,514)
Consultants and Professional Fees	1,313	8,755	7,442
Material and Supplies	416	472	56
Facility Cost	-	4,563	4,563
Other	1,361	1,247	(114)
General and Administrative	<u>23,169</u>	<u>10,462</u>	<u>(12,707)</u>
	57,910	46,636	(11,274)
Revenue	<u>(20,435)</u>	<u>(9,161)</u>	<u>11,274</u>
	<u><u>\$ 37,475</u></u>	<u><u>\$ 37,475</u></u>	<u><u>\$ - 0 -</u></u>

**AUTISM NEW JERSEY, INC. AND AFFILIATE
BUDGET TO EXPENSE SCHEDULE
NJDCF GRANT # 13LMLR
YEAR ENDED SEPTEMBER 30, 2013**

<u>Budget Category</u>	<u>Budget Amount</u> <u>1/1/13 -6/30/13</u>	<u>Actual</u> <u>Expenditures</u> <u>1/1/13 -6/30/13</u>	<u>Budget</u> <u>Variance</u>
Personnel	\$ 141,776	\$ 147,843	\$ 6,067
Consultants and Professional Fees	-	3,409	3,409
Material and Supplies	4,092	2,333	(1,759)
Facility Cost	-	26,619	26,619
Other	52,132	44,888	(7,244)
General and Administrative	<u>156,710</u>	<u>63,754</u>	<u>(92,956)</u>
	354,710	288,846	(65,864)
Revenue	<u>(129,710)</u>	<u>(63,846)</u>	<u>65,864</u>
	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ - 0 -</u>

AUTISM NEW JERSEY, INC. AND AFFILIATE
BUDGET TO EXPENSE SCHEDULE
NJDCF GRANT # 14LMLR
YEAR ENDED SEPTEMBER 30, 2013

<u>Budget Category</u>	<u>Budget Amount</u> <u>7/1/13 -9/30/13</u>	<u>Actual</u> <u>Expenditures</u> <u>7/1/13 -9/30/13</u>	<u>Budget</u> <u>Variance</u>
Personnel	\$ 86,880	\$ 86,599	\$ (281)
Consultants and Professional Fees	225	4,995	4,770
Material and Supplies	3,649	920	(2,729)
Facility Cost	-	14,382	14,382
Other	8,246	7,080	(1,166)
General and Administrative	<u>38,749</u>	<u>16,987</u>	<u>(21,762)</u>
	137,749	130,963	(6,786)
Revenue	<u>(25,249)</u>	<u>-</u>	<u>25,249</u>
	<u>\$ 112,500</u>	<u>\$ 130,963</u>	<u>\$ 18,463</u>

Note: This grant is for the period July 1, 2013 through June 30, 2014, in the total amount of \$450,000, (See Note 11).

**AUTISM NEW JERSEY, INC. AND AFFILIATE
ADDITIONAL INFORMATION REQUIRED BY
STATE OF NEW JERSEY
YEAR ENDED SEPTEMBER 30, 2013**

1. All Federal and State payroll tax returns were filed timely and all required tax payments were made.
2. The IRS 990 tax return for the years ended September 30, 2013 and 2012 will be timely filed and was filed in compliance with statutory requirements.
3. The CRI-300R, New Jersey tax return for the years ended September 30, 2013 and 2012 will be timely filed and was filed in compliance with statutory requirements.
4. There were no questioned costs as a result of this audit.