

**ALBERTA FAMILY MEDIATION SOCIETY**

**Financial Statements**

**Year Ended March 31, 2011**

# ALBERTA FAMILY MEDITATION SOCIETY

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Year Ended March 31, 2011

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## ALBERTA FAMILY MEDIATION SOCIETY

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### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Alberta Family Mediation Society,

We have audited the accompanying financial statements of Alberta Family Mediation Society, which comprise the statement of financial position as at March 31, 2011, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*(continued)*

Independent Auditor's Report to the Members of Alberta Family Mediation Society *(continued)*

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, the society derives revenue from memberships and conferences, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenue and deferred revenue accounts were limited to the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to opening balances, excess of revenues over expenses, assets, liabilities and net assets.

**Qualified Opinion**

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary, as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Alberta Family Mediation Society as at March 31, 2011 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



**Colin Presizniuk & Associates**  
CERTIFIED GENERAL ACCOUNTANTS

September 17, 2011  
Edmonton, Alberta

# ALBERTA FAMILY MEDIATION SOCIETY

## Statement of Operations

Year Ended March 31, 2011

	2011	2010
<b>REVENUE</b>		
Membership fees	\$ 20,191	\$ 18,706
Conference fees	38,733	65,992
Web Site Links	1,775	1,650
Interest income	158	151
	<b>60,857</b>	<b>86,499</b>
<b>EXPENSES</b>		
Conference expenses	35,897	57,275
Administration expenses	10,464	9,195
Directory	3,212	2,209
Telecommunications	2,388	3,099
Membership expenses	4,025	7,667
Professional fees	1,864	1,574
Office expenses	1,689	733
Bank charges	1,372	2,040
Retreat expenses	1,010	1,782
Web Site	975	5,455
Insurance	960	587
Awards and gifts	573	50
Advertising	540	1,266
Donations	-	1,500
	<b>64,969</b>	<b>94,432</b>
<b>EXCESS (DEFICENCY )OF REVENUE OVER EXPENSES</b>	<b>\$ (4,112)</b>	<b>\$ (7,933)</b>

See Notes to Financial Statements

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# ALBERTA FAMILY MEDIATION SOCIETY

## Statement of Changes in Net Assets

Year Ended March 31, 2011

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	2011	2010
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 46,421	\$ 54,354
Excess (Deficiency )of Revenue Over Expenses	(4,112)	(7,933)
<b>NET ASSETS - END OF YEAR</b>	\$ 42,309	\$ 46,421

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# ALBERTA FAMILY MEDIATION SOCIETY

## Statement of Financial Position

March 31, 2011

	2011	2010
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and bank	\$ 64,191	\$ 76,502
Prepaid expenses	9,204	9,008
	<b>\$ 73,395</b>	<b>\$ 85,510</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 1,509	\$ 1,976
Membership fees paid in advance	3,387	11,093
Conference fees paid in advance	25,740	24,920
Website fees paid in advance	450	1,100
	<b>31,086</b>	<b>39,089</b>
<b>NET ASSETS</b>		
General fund	<b>42,309</b>	<b>46,421</b>
	<b>\$ 73,395</b>	<b>\$ 85,510</b>

Approved by the Board:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

See Notes to Financial Statements

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# ALBERTA FAMILY MEDIATION SOCIETY

## Statement of Financial Position

March 31, 2011

	2011	2010
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ (4,112)	\$ (7,933)
<b>Changes in non-cash working capital:</b>		
Prepaid expenses	(196)	2597
Accounts payable	(467)	899
Membership fees paid in advance	(7,706)	3290
Conference fees paid in advance	820	(32,295)
Website fees paid in advance	(650)	250
	(8,199)	(25,259)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(12,311)</b>	<b>(33,192)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>76,502</b>	<b>109,694</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 64,191</b>	<b>\$ 76,502</b>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ 158	\$ 151
Interest paid	\$ -	\$ -
Income taxes paid (Note 4)	\$ -	\$ -
<b>CASH AND CASH EQUIVALENTS CONSISTS OF:</b>		
Cash and bank	\$ 64,191	\$ 76,502
	\$ 64,191	\$ 76,502

See Notes to Financial Statements

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# ALBERTA FAMILY MEDIATION SOCIETY

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## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2011

### NOTE 1 – NATURE OF ORGANIZATION

The Alberta Family Mediation Society was incorporated under the Societies Act of Alberta on June 27, 1984 and is an affiliate of Family Mediation Canada. Alberta Family Mediation is in the business of providing leadership in the emerging field of family mediation throughout the Province of Alberta. The Society is dedicated to the promotion of mediation and other forms of non-adversarial resolution for family-related conflicts on a not-for-profit basis.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies observed in the preparation of the financial statements are summarized below. These policies are in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

a) Revenue Recognition

The Society follows the deferral method in accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount can be reasonably estimated and its collection is reasonably assured.

Unrestricted investment income is recognized as revenue when it is earned. Investment income from internally restricted net assets is recognized when it is earned.

Fees and collections for specific future purposes are recognized as revenue in the period in which the expenses for the purpose are incurred.

b) Capital Asset

Should the society purchase capital assets, these purchases would be expensed in the year of acquisition.

c) Volunteer Services

The Society depends on the services of volunteers to accomplish its objectives. In common with many not for profit organizations, the Society does not record the value of services donated by volunteers.

d) Membership Revenue

Membership revenue is recognized in the year to which it pertains. Membership revenue received for subsequent years is deferred and recognized as revenue in the appropriate year.

e) Use of Estimates

The preparation of the financial statements of the Society is in conformity with Canadian generally accepted accounting principles. This requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# ALBERTA FAMILY MEDIATION SOCIETY

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## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2011

- f) Investments  
Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at cost with accrued interest shown separately.
- g) Financial instruments  
Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.
- h) Statement of cash flows  
The Society is using the indirect method in its presentation of the Statement of Cash Flows.

### NOTE 3 – FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, prepaid expenses, fees paid in advance and accounts payable. Unless otherwise indicated, it is management's opinion the Society is not exposed to significant interest or credit risks arising from these financial statements. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

#### **Credit risk**

It is management's opinion that the Society is not exposed to significant credit risks.

#### **Currency risk**

The Society does not have any significant currency risks.

#### **Interest rate risk**

It is management's opinion that the Society is not exposed to significant interest rate risk.

#### **Fair value**

The fair value of these financial instruments approximate their carrying value due to the immediate or short term maturity of these financial instruments.

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# **ALBERTA FAMILY MEDIATION SOCIETY**

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## **NOTES TO FINANCIAL STATEMENTS**

**As at March 31, 2011**

### **NOTE 4 – INCOME TAXES**

An Organization formed under Canadian provincial legislation is a non-profit organization under Sec 149(1) (l) of the Income Tax Act and is therefore exempt from income tax.

### **NOTE 5 –CHANGES IN ACCOUNTING POLICY**

Effective the years commencing on March 31, 2011, the corporation implemented changes relating to Canadian Institute of Chartered Accountants (CICA) accounting section 4400, "Financial Statement Presentation by Not-For-Profit Organizations". Section 4400 specifies the corporation is required to present a Statement of Cash Flow, whereas previous standards allowed the statement to be omitted in certain circumstances. The corporation has included the required disclosure.

### **NOTE 6 –COMPARATIVE FIGURES**

Certain 2010 figures have been reclassified to conform to the presentation adopted in the current year.

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