

ALBERTA FAMILY MEDIATION SOCIETY

Financial Statements

Year Ended March 31, 2012

ALBERTA FAMILY MEDITATION SOCIETY

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Year Ended March 31, 2012

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ALBERTA FAMILY MEDIATION SOCIETY

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, 2012, 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, 2012 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

April 16, 2012
Edmonton, Alberta

ALBERTA FAMILY MEDIATION SOCIETY

Statement of Operations

Year Ended March 31, 2012

	2012	2011
REVENUE		
Conference fees	\$ 26,590	\$ 38,733
Membership fees	22,302	20,191
Web Site Links	2,370	1,775
Interest income	150	158
	51,412	60,857
EXPENSES		
Conference expenses	29,167	35,897
Membership expenses	11,176	4,025
Administration expenses	9,350	10,464
Professional fees	2,704	1,864
Telecommunications	2,242	2,388
Web Site	1,871	975
Bank charges	1,755	1,372
Retreat expenses	1,074	1,010
Insurance	917	960
Office expenses	473	1,689
Directory	216	3,212
Advertising	175	540
Awards and gifts	-	573
	61,120	64,969
EXCESS (DEFICENCY) OF REVENUE OVER EXPENSES	\$ (9,708)	\$ (4,112)

See Notes to Financial Statements

CPA †

ALBERTA FAMILY MEDIATION SOCIETY

Statement of Changes in Net Assets

Year Ended March 31, 2012

	2012	2011
NET ASSETS - BEGINNING OF YEAR	\$ 42,309	\$ 46,421
Excess (Deficiency) of Revenue Over Expenses	(9,708)	(4,112)
NET ASSETS - END OF YEAR	\$ 32,601	\$ 42,309

ALBERTA FAMILY MEDIATION SOCIETY

Statement of Financial Position

March 31, 2012

	2012	2011
ASSETS		
CURRENT ASSETS:		
Cash and bank	\$ 59,320	\$ 64,191
Prepaid expenses	5,464	9,204
	\$ 64,784	\$ 73,395
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 2,618	\$ 1,509
Membership fees paid in advance	4,615	3,387
Conference fees paid in advance	24,600	25,740
Website fees paid in advance	350	450
	32,183	31,086
NET ASSETS		
Unrestricted	32,601	42,309
	\$ 64,784	\$ 73,395

Approved by the Board:

_____ Director

_____ Director

See Notes to Financial Statements

CPA †

ALBERTA FAMILY MEDIATION SOCIETY

Statement of Financial Position

March 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (9,708)	\$ (4,112)
Changes in non-cash working capital:		
Prepaid expenses	3,740	(196)
Accounts payable and accrued liabilities	1,109	(467)
Membership fees paid in advance	1,228	(7,706)
Conference fees paid in advance	(1,140)	820
Website fees paid in advance	(100)	(650)
	4,837	(8,199)
Net increase (decrease) in cash and cash equivalents	(4,871)	(12,311)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	64,191	76502
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 59,320	\$ 64,191
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 150	\$ 158
Interest paid	\$ -	\$ -
Income taxes paid (Note 4)	\$ -	\$ -
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Cash and bank	\$ 59,320	\$ 64,191
	\$ 59,320	\$ 64,191

See Notes to Financial Statements

CPA †

ALBERTA FAMILY MEDIATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2012

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

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2012

- 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 and accrued liabilities. 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.

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.

ALBERTA FAMILY MEDIATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2012

NOTE 5 – CAPITAL MANAGEMENT

The Society objectives when managing capital are to safeguard its ability to continue as a going concern with sufficient capital to pay monthly operating costs as they come due as well as to fund services and products provided to the Society.

In managing its capital, the Society prepares an annual budget of operating costs with expected funding sources. This budget is approved by the Board of Directors. Also, the budget is monitored on a monthly basis by the Board of Directors by comparing budgeted expenses with actual expenses.

NOTE 6 –COMPARATIVE FIGURES

Certain 2011 figures have been reclassified to conform to the presentation adopted in the current year.