

**Alberta Family Mediation Society**

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**Financial Statements**  
**Year Ended March 31, 2015**

**Alberta Family Mediation Society**  
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**Year Ended March 31, 2015**

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**INDEPENDENT AUDITOR'S REPORT**

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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, 2015 and the statements of operations, changes in net assets and 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 accounting standards 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 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 qualified audit opinion.

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Basis for Qualified Opinion

In common with many not-for-profit organizations, Alberta Family Mediation Society derives revenue from memberships and conferences, which involve some collections of cash, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Alberta Family Mediation Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2015, current assets and net assets as at March 31, 2015.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Alberta Family Mediation Society as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton , Alberta  
June 4, 2015



Colin Presizniuk & Associates  
CERTIFIED GENERAL ACCOUNTANTS

**Alberta Family Mediation Society**  
**Statement of Operations**  
**Year Ended March 31, 2015**

	2015	2014
<b>REVENUES</b>		
Conference fees	\$ 36,301	\$ 44,433
Memberships fees	33,939	28,083
Website links	2,763	3,040
Interest income	43	6
	<u>73,046</u>	<u>75,562</u>
<b>EXPENSES</b>		
Conference	25,681	43,441
Administration expenses	7,848	9,566
Membership expenses	3,454	5,676
Bank charges	2,706	3,508
Professional fees	2,704	2,704
Telecommunications	2,452	3,445
Retreat expenses	1,951	2,261
Insurance	889	889
Website	820	549
Office	720	535
Advertising	259	1,163
Awards and gifts	79	74
Directory	-	10
	<u>49,563</u>	<u>73,821</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 23,483</b>	<b>\$ 1,741</b>

See notes to financial statements

**Alberta Family Mediation Society**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2015**

	2015	2014
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 25,838</b>	<b>\$ 24,097</b>
Excess of revenues over expenses	<u>23,483</u>	<u>1,741</u>
<b>NET ASSETS - END OF YEAR (Note 2)</b>	<b>\$ 49,321</b>	<b>\$ 25,838</b>

**Alberta Family Mediation Society**  
**Statement of Financial Position**  
**March 31, 2015**

	2015	2014
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 89,273	\$ 90,330
Prepaid expenses	6,866	5,311
	\$ 96,139	\$ 95,641
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 2,473	\$ 2,473
Deferred revenue <i>(Note 4)</i>	44,345	67,330
	46,818	69,803
<b>NET ASSETS <i>(Note 2)</i></b>	<b>49,321</b>	25,838
	<b>\$ 96,139</b>	<b>\$ 95,641</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

**Alberta Family Mediation Society**  
**Statement of Cash Flows**  
**Year Ended March 31, 2015**

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 23,483	\$ 1,741
	<u>23,483</u>	<u>1,741</u>
Changes in non-cash working capital:		
Prepaid expenses	(1,555)	1,028
Accounts payable and accrued liabilities	-	(144)
Deferred revenue (Note 4)	<u>(22,985)</u>	<u>26,404</u>
	<u>(24,540)</u>	<u>27,288</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(1,057)</b>	<b>29,029</b>
Cash - beginning of year	<u>90,330</u>	<u>61,301</u>
<b>CASH - END OF YEAR</b>	<b>\$ 89,273</b>	<b>\$ 90,330</b>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ -	\$ -
Interest paid	\$ -	\$ -
Income taxes paid (Note 5)	\$ -	\$ -
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	<u>\$ 89,273</u>	<u>\$ 90,330</u>

See notes to financial statements



**Alberta Family Mediation Society**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**1. NATURE OF OPERATIONS**

Alberta Family Mediation Society (the "Society") was incorporated under the Societies Act of Alberta on June 27, 1984 and is an affiliate of Family Mediation Canada. The Society operates to provide 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.

The Society is a tax-exempt organization for income tax purposes and has therefore made no provision for income taxes in these financial statements.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Tangible Capital assets

Selected capital assets are expensed in the year of acquisition.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents consist primarily of term deposits with a maturity period of three months or less from the date of acquisition. Because of the short term maturity of these deposits, their carrying amount approximates fair value.

Contributed services

Volunteer services contributed on behalf of the Society in carrying out its operating activities are not recognized in these financial statements due to the difficulty of determining their fair value.

Financial instruments policy

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 amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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 amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

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**Alberta Family Mediation Society**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net assets

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

The Society's net assets are comprised of its unrestricted General Fund.

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

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Statement of cash flows

The Society uses the indirect method in preparing the Statement of Cash Flows.

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**3. FINANCIAL INSTRUMENTS**

The Society's financial instruments consist of cash, accounts payable and accrued liabilities and fees received in advance. Unless otherwise indicated, it is management's opinion that the Society is not exposed to significant interest rate or credit risks arising from these financial statements. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Credit risk

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

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. It is management's opinion that the Society is not exposed to significant interest rate risk through its normal operating activities.

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**Alberta Family Mediation Society**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**4. DEFERRED REVENUE**

Deferred revenue consist of the following:

	<u>2015</u>		<u>2014</u>
Conference fees received in advance	\$ 31,775	\$	41,465
Membership fees received in advance	11,720		23,815
Website fees received in advance	850		2,050
	<u>\$ 44,345</u>	\$	<u>67,330</u>

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**5. INCOME TAXES**

The Society, formed under Canadian provincial legislation, is a not-for-profit organization and is therefore exempt from tax under paragraph 149(1)(l) of the Income Tax Act.

Provided that substantially all of the Society's gross revenue (other than interest) is derived from dealing with its members, Revenue Canada is prepared to regard the excess of revenues over expenses as amounts required for the operations of the organization and not as income of the Society or its members. Accordingly, no provision for income taxes has been made in these financial statements.

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**6. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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