

Alberta Family Mediation Society

Financial Statements

March 31, 2013

**Alberta Family Mediation Society
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Year Ended March 31, 2013**

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COLIN PRESIZNIUK † ASSOCIATES



PROFESSIONAL ACCOUNTANTS
WWW.ACCOUNTANTSCGA.COM

C P A
GROUP

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, 2013 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 revenues from memberships and conferences the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of revenues and deferred revenues accounts 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 opening balances, excess of revenues over expenses, assets, liabilities and net assets.

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, 2013 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.

Comparative Information

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that Alberta Family Mediation Society adopted Canadian accounting standards for not-for-profit organizations on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statement of financial position as at March 31, 2012 and April 1, 2011 and the statements of operations, changes in net assets and cash flows for the year ended March 31, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.



Colin Presizniuk & Associates
PROFESSIONAL ACCOUNTANTS

Edmonton , Alberta
April 30, 2013

Alberta Family Mediation Society
Statement of Operations
Year Ended March 31, 2013

	2013	2012
REVENUES		
Conference fees	\$ 29,228	\$ 26,591
Memberships Fees	26,155	22,302
Web Site Links	2,180	2,370
Interest income	134	150
	57,697	51,413
EXPENSES		
Conference expenses	24,881	29,167
Administration expenses	11,334	9,350
Directory	7,842	216
Membership expenses	6,179	11,176
Retreat expenses	2,840	1,074
Telecommunications	2,801	2,242
Professional fees	2,704	2,704
Bank charges	2,513	1,755
Office expenses	2,207	474
Web Site	1,699	1,871
Insurance	909	917
Awards and gifts	214	-
Advertising	78	175
	66,201	61,121
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (8,504)	\$ (9,708)

See notes to financial statements

**Alberta Family Mediation Society
Statement of Changes in Net Assets
Year Ended March 31, 2013**

	2013		2012
NET ASSETS - BEGINNING OF YEAR	\$ 32,601	\$	42,309
Deficiency of revenues over expenses	(8,504)		(9,708)
	24,097		32,601
NET ASSETS - END OF YEAR	\$ 24,097	\$	32,601

See notes to financial statements

Alberta Family Mediation Society
Statement of Financial Position
March 31, 2013

	<i>March</i> 2013	(Restated) <i>March</i> 2012	(Restated) <i>April</i> 2011
ASSETS			
Cash	\$ 61,301	\$ 59,320	\$ 64,191
Prepaid expenses	6,339	5,464	9,204
	\$ 67,640	\$ 64,784	\$ 73,395
LIABILITIES AND NET ASSETS			
Accounts payable and accrued liabilities	\$ 2,617	\$ 2,618	\$ 1,509
Membership fees paid in advance	10,300	4,615	3,387
Conference fees paid in advance	29,576	24,600	25,740
Website fees paid in advance	1,050	350	450
	43,543	32,183	31,086
NET ASSETS			
Unrestricted operating fund	24,097	32,601	42,309
	\$ 67,640	\$ 64,784	\$ 73,395

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

Alberta Family Mediation Society
Statement of Cash Flows
Year Ended March 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (8,504)	\$ (9,708)
Changes in non-cash working capital:		
Prepaid expenses	(875)	3,740
Accounts payable and accrued liabilities	-	1,109
Membership fees paid in advance	5,685	1,228
Conference fees paid in advance	4,976	(1,140)
Website fees paid in advance	699	(100)
	10,485	4,837
Net change in cash and cash equivalents during the year	1,981	(4,871)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	59,320	64,191
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 61,301	\$ 59,320
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 134	\$ 150
Interest paid	\$ -	\$ -
Income taxes paid <i>(Note 4)</i>	\$ -	\$ -
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Cash	\$ 61,301	\$ 59,320

See notes to financial statements

Alberta Family Mediation Society
Notes to Financial Statements
Year Ended March 31, 2013

1. NATURE OF OPERATIONS

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.

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

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 accounting standards for not-for-profit organizations.

Adoption of accounting standards for not-for-profit organizations

Effective April 1, 2012, the Society adopted the Canadian accounting standards for not-for-profit organizations (ASNPO). Previously, the financial statements were presented in accordance with Canadian generally accepted accounting principles (GAAP) as issued in the Handbook — Accounting Part V Pre-changeover standards. On adoption of ASNPO, an organization is permitted to selectively elect certain exemptions and choose accounting policies that may differ from the previously presented financial statement information. This can result in adjustments to the opening net assets at the transition date, which is the first day of the period for which comparative information is presented. Although the Society made no changes to the previously presented financial statements, an opening statement of financial position at the date of transition has been presented, as required.

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.

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.

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Alberta Family Mediation Society
Notes to Financial Statements
Year Ended March 31, 2013

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. Actual results could differ from these estimates.

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.

Cash and cash equivalents

The Society is to present bank balances and term deposits with a maturity period of one year or less from the date of acquisition under cash and cash equivalents.

Statement of cash flows

The Society uses the indirect method in preparing the statement of cash flows.

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 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.

Capital assets

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

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.

3. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, fees paid in advance and accounts payable and accrued liabilities. Unless otherwise indicated, it is management's opinion that 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.

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Alberta Family Mediation Society
Notes to Financial Statements
Year Ended March 31, 2013

3. FINANCIAL INSTRUMENTS (continued)

Credit risk

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

Currency risk

The Society does not have any significant currency risk.

Interest rate risk

It is management's opinion that the Society is not exposed to significant interest rate risk because the Society does not invest a large amount in interest-bearing investments.

4. INCOME TAXES

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

5. CAPITAL MANAGEMENT

The Society's 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.

The Society's capital is comprised of its unrestricted operating fund.

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.

6. COMPARATIVE FIGURES

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