
ALBERTA FAMILY MEDIATION SOCIETY

Financial Statements

Year Ended March 31, 2021

ALBERTA FAMILY MEDIATION SOCIETY
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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Family Mediation Society

Opinion

We have audited the financial statements of Alberta Family Mediation Society (the Society), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Edmonton, Alberta
July 19, 2021



Ho LLP
Chartered Professional Accountants

ALBERTA FAMILY MEDIATION SOCIETY**Statement of Financial Position****March 31, 2021**

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 32,909	\$ 15,359
Investments (Note 3)	35,382	35,000
Interest receivable	192	849
Prepaid expenses	346	346
	\$ 68,829	\$ 51,554
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,737	\$ 2,704
Deferred revenue	-	600
	4,737	3,304
NET ASSETS (Notes 1, 5)	64,092	48,250
	\$ 68,829	\$ 51,554

ON BEHALF OF THE BOARD_____
*Director*_____
Director

ALBERTA FAMILY MEDIATION SOCIETY**Statement of Operations****Year Ended March 31, 2021**

	2021	2020
REVENUES		
Training fees	\$ 27,850	\$ 16,200
Memberships fees	23,432	35,435
Interest (adjustment)	(275)	429
Conference fees	-	7,450
	<u>51,007</u>	<u>59,514</u>
EXPENSES		
Administration expenses	9,446	9,266
Membership expenses	9,426	9,722
Training	7,921	22,831
Professional fees	2,704	2,704
Advertising	892	6,060
Insurance	889	891
Website	819	2,832
Bank charges	797	315
Sundry and supplies	762	162
Telecommunications	618	1,366
Conference	500	40,227
Retreat expenses	214	461
Awards and gifts	176	77
	<u>35,164</u>	<u>96,914</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 15,843	\$ (37,400)

ALBERTA FAMILY MEDIATION SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 48,250	\$ 85,650
Excess (deficiency) of revenues over expenses	<u>15,842</u>	<u>(37,400)</u>
NET ASSETS - END OF YEAR (Note 1)	\$ 64,092	\$ 48,250

ALBERTA FAMILY MEDIATION SOCIETY**Statement of Cash Flows****Year Ended March 31, 2021**

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 15,843	\$ (37,400)
	<u>15,843</u>	<u>(37,400)</u>
Changes in non-cash working capital:		
Interest receivable	657	(16)
Prepaid expenses	-	7,727
Accounts payable and accrued liabilities	2,032	-
Deferred revenue	<u>(600)</u>	<u>(2,200)</u>
	<u>2,089</u>	<u>5,511</u>
Cash flow from operating activities	<u>17,932</u>	<u>(31,889)</u>
INVESTING ACTIVITY		
Net change of investments (Note 3)	<u>(382)</u>	-
Cash flow from (used by) investing activity	<u>(382)</u>	-
INCREASE (DECREASE) IN CASH FLOW	17,550	(31,889)
Cash and cash equivalents - beginning of year	<u>15,359</u>	<u>47,248</u>
CASH AND CASH EQUIVALENTS - END OF YEAR (Note 1)	\$ 32,909	\$ 15,359
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash (Note 1)	<u>\$ 32,909</u>	<u>\$ 15,359</u>

ALBERTA FAMILY MEDIATION SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

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 tax exempt under paragraph 149(1)(l) of the Income Tax Act and, therefore, has made no provision for federal income taxes in these financial statements.

1. 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).

Capital assets

Assets are capitalized when deemed material; other assets are expensed in the year of acquisition.

Cash and short term investments

Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, 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.

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.

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ALBERTA FAMILY MEDIATION SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

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

Revenue recognition

Alberta Family Mediation Society follows the deferral method of 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 received or receivable if the amount to be received can be reasonably estimated and 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.

2. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from members. In order to reduce its credit risk, the Society conducts regular reviews of its existing members' credit performance. The Society has a significant number of members which minimizes concentration of 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. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating activities.

3. INVESTMENTS

Investments consist of:

	<u>2021</u>	<u>2020</u>
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 1.85%; matures May 5, 2021)	\$ 15,164	\$ -
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 1.85%; matures May 5, 2021)	10,109	-
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 1.85%; matures May 5, 2021)	10,109	-
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 2.70%; matured May 6, 2020)	-	15,000
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 2.70%; matured May 6, 2020)	-	10,000
BMO guaranteed investment certificate (annual interest rate at Prime Rate less 2.70%; matured May 6, 2020)	-	10,000
	<u>\$ 35,382</u>	<u>\$ 35,000</u>

Any change in value is reflected as accrued interest.

ALBERTA FAMILY MEDIATION SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

4. COMPARATIVE FIGURES

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

5. CORONAVIRUS ("COVID-19")

In January 2020, the World Health Organization declared the outbreak of a strain of the novel coronavirus ("COVID-19") to be a public health emergency of international concern and, subsequently, a global pandemic was declared in March, 2020. A series of public health and emergency measures have been put in place by the Canadian federal government, followed by the provincial and territorial governments, to combat the spread of the virus.

For the fiscal period then ended March 31, 2021, the Society's financial activities were largely unimpacted by the public health and emergency measures.

Management will continue to monitor provincial and local authorities for ongoing developments that may have an impact on the financial results and condition of the Society in future periods. No reliable estimates can be measured at this time.
