

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA

FINANCIAL STATEMENTS

For the year ended March 31, 2009

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA

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Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To: The Board of Directors of
Family Centre Society of Southern Alberta

We have audited the statement of financial position of Family Centre Society of Southern Alberta as at March 31, 2009 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as noted in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many societies of this type, the Society derives part of its revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenue from these sources was 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 revenue, excess of revenue over expenditures, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Young Parkyn McNab LLP

Lethbridge, Alberta

May 21, 2009

Chartered Accountants

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
STATEMENT OF FINANCIAL POSITION
As at March 31, 2009

	2009	2008
ASSETS		
Current		
Cash (note 3)	\$ 258,710	\$ 227,587
Term deposit	-	80,577
Accounts receivable	12,066	12,343
Accounts receivable - capital campaign	1,767	-
Grant receivable - capital campaign	200,000	-
Pledges receivable - capital campaign	46,500	-
Prepaid expenses	29,319	29,955
	548,362	350,462
Trust funds (note 4)	111,494	95,784
Capital assets (note 5)	90,987	62,989
	\$ 750,843	\$ 509,235
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 18,785	\$ 170,474
Accounts payable - capital campaign	2,518	-
Deferred revenue - capital campaign (note 6)	387,978	2,278
Deferred revenue (note 7)	50,462	77,240
	459,743	249,992
Trust funds (note 4)	111,494	95,784
Unamortized deferred capital contributions (note 8)	22,840	28,560
	594,077	374,336
Net assets		
Unrestricted	59,710	100,470
Invested in capital assets	68,147	34,429
Internally restricted - capital campaign	28,909	-
	156,766	134,899
	\$ 750,843	\$ 509,235

Approved on behalf of the Board:

Director _____

Director _____

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
STATEMENT OF OPERATIONS
For the year ended March 31, 2009

	2009 Budget (Unaudited)	2009 Actual	2008 Actual
Revenue			
Southwest Alberta Child and Family Services	\$ 449,668	\$ 408,859	\$ 488,802
City of Lethbridge	354,826	339,603	275,979
Parent Link Centre	334,750	304,022	320,463
Chinook Regional Health Authority	84,620	58,864	42,756
Wild Rose Foundation	30,030	30,030	10,010
Alberta Justice	15,100	16,052	18,796
Lethbridge School District #51	15,000	15,000	15,000
Programs and projects	8,000	11,140	9,682
Other grants	-	5,263	9,599
Holy Spirit Catholic Regional Division #4	5,000	5,000	5,000
Memberships	3,000	4,395	4,781
Chinook Health Region	2,244	2,244	2,244
Interest	-	-	2,423
Amortization of deferred contributions	-	5,720	5,720
Capital campaign (note 9)	-	12,014	-
	1,302,238	1,218,206	1,211,255
Expenditures			
Wages and employee benefits	1,003,985	989,181	932,733
Rent, telephone and utilities	182,375	56,385	51,222
Advertising and promotion	29,303	29,869	28,232
Programs and projects	23,434	25,872	32,648
Training	13,315	18,411	13,701
Professional fees	9,600	10,370	9,600
Office and postage	7,876	8,623	7,230
Insurance	6,880	7,525	7,929
Automotive and travel	7,570	6,931	3,682
Food	7,400	6,920	6,810
Association dues	3,000	3,213	2,766
GST expense	5,000	3,200	3,729
Interest and bank charges	2,000	2,973	1,609
Repairs and maintenance	3,500	2,828	2,533
Capital expenditures	2,000	936	75,402
Amortization	-	6,642	6,642
Capital campaign (note 9)	-	19,393	-
	1,307,238	1,199,272	1,186,468
(Deficiency) excess of revenue over expenditures from operations	(5,000)	18,934	24,787
Other income (expense)			
Donations	5,000	6,564	4,912
Donations in kind	-	(3,631)	(1,493)
	5,000	2,933	3,419
Excess of revenue over expenditures	\$ -	\$ 21,867	\$ 28,206

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
STATEMENT OF CHANGES IN NET ASSETS
For the year ended March 31, 2009

	Unrestricted	Invested in capital assets	Internally restricted - capital campaign	Total 2009	Total 2008
Balance, beginning of year	\$ 100,470	\$ 34,429	-	\$ 134,899	\$ 106,693
Excess (deficiency) of revenue over expenditures	21,867	-	-	21,867	28,206
Purchase of capital assets	-	34,640	(34,640)	-	-
Amortization of capital assets	6,642	(6,642)	-	-	-
Amortization of deferred contributions	(5,720)	5,720	-	-	-
Internal restriction of Family Centre funds	(91,615)	-	91,615	-	-
Capital campaign expenses funded by operations	7,379	-	(7,379)	-	-
Transfer (note 10)	20,687	-	(20,687)	-	-
Balance, end of year	\$ 59,710	\$ 68,147	\$ 28,909	\$ 156,766	\$ 134,899

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
STATEMENT OF CASH FLOWS
For the year ended March 31, 2009

	2009	2008
Cash flows from operating activities		
Excess of revenue over expenditures	\$ 21,867	\$ 28,206
Adjustments for items which do not affect cash		
Amortization	6,642	6,642
Amortization of deferred contributions	(5,720)	(5,720)
	22,789	29,128
Change in non-cash working capital items		
Accounts receivable	277	15,487
Accounts receivable - capital campaign	(1,767)	-
Grant receivable - capital campaign	(200,000)	-
Pledges receivable - capital campaign	(46,500)	-
Prepaid expenses	636	(24,453)
Accounts payable and accrued liabilities	(151,689)	108,591
Accounts payable - capital campaign	2,518	-
Deferred revenue - capital campaign (note 6)	385,700	2,278
Deferred revenue	(26,778)	73,216
	(14,814)	204,247
Cash flows from investing activity		
Purchase of capital assets	(34,640)	(27,700)
Net (decrease) increase in cash and cash equivalents	(49,454)	176,547
Cash and cash equivalents, beginning of year	308,164	131,617
Cash and cash equivalents, end of year	\$ 258,710	\$ 308,164
Cash and cash equivalents consists of:		
Cash	\$ 258,710	\$ 227,587
Term deposit	-	80,577
	\$ 258,710	\$ 308,164

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2009

1. Nature of operations

Family Centre Society of Southern Alberta is a non-profit organization, incorporated under the Societies Act of Alberta, whose objective is to provide family support and resources which will strengthen and empower families, enhance the capacities of parents and foster the optimal development of children and youth.

2. Significant accounting policies

(a) Financial instruments

Cash and term deposits have been classified as held-for-trading and are recorded at estimated fair value.

Accounts receivable have been classified as loans and receivables and are reported at amortized cost using the effective interest method.

Accounts payable and accrued liabilities have been classified as other financial liabilities and are reported at amortized cost using the effective interest method.

The carrying amount of accounts receivable and accounts payable and accrued liabilities is comparable to fair value due to the approaching maturity of these financial instruments.

(b) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures 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.

(c) Capital assets

Capital assets are recorded at cost. The Society provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Computer equipment	7 years
Office equipment	10 years

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option, and will begin at the start of the first lease term.

(d) Donated services

The Society receives a substantial amount of services donated by citizens interested in the Society's programs. The kinds of services provided generally involve the contribution of time, the value of which is not readily determinable. Because of the difficulty in assigning value for such services, these items have not been given recognition in the financial statements.

(e) Income taxes

The Society is a registered charitable organization and no income taxes are applicable to income earned in the normal course of operations pursuant to Section 149(1)(l) of the Income Tax Act.

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2009

3. **Cash**

	2009	2008
Cash - operations	\$ 88,712	\$ 227,587
Cash - capital campaign	169,998	-
	\$ 258,710	\$ 227,587

4. **Trust funds**

These amounts are held by the Family Centre Society of Southern Alberta on behalf of other organizations, as follows:

	2009	2008
Fetal Alcohol Spectrum Disorder Coordinating Committee	\$ 103,909	\$ 93,199
Community Substance Abuse Response Team	7,585	2,585
	\$ 111,494	\$ 95,784

5. **Capital assets**

	2009		2008	
	Cost	Accumulated amortization	Net	Net
Leasehold improvements	\$ 55,327	\$ -	\$ 55,327	\$ 20,687
Computer equipment	41,506	17,806	23,700	29,636
Office equipment	14,080	2,120	11,960	12,666
	\$ 110,913	\$ 19,926	\$ 90,987	\$ 62,989

6. **Deferred revenue - capital campaign**

	2009	2008
Donations	\$ 187,978	\$ 2,278
City of Lethbridge community grant	200,000	-
	\$ 387,978	\$ 2,278

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
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7. **Deferred revenue**

The Society has received funds which are to be expended for specific purposes as follows:

	2009	2008
Grow Along with Me program	\$ 25,756	\$ -
Southwest Alberta Child and Family Services - prepaid lease	22,500	22,500
Program and project income	1,320	780
Other grants	886	-
Wild Rose Foundation	-	30,030
City of Lethbridge - FCSS	-	23,930
	\$ 50,462	\$ 77,240

8. **Unamortized deferred capital contributions**

This amount represents resources received from a donor that were used for the cost of the new computer hardware, software and network. The contributions will be amortized into revenue on the same basis as the amortization of the related assets.

	2009	2008
Balance, beginning of year	\$ 28,560	\$ 34,280
Amortized to revenue	(5,720)	(5,720)
Balance, end of year	\$ 22,840	\$ 28,560

FAMILY CENTRE SOCIETY OF SOUTHERN ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2009

9. Capital Campaign summary

During the year the Society began a fundraising campaign in order to facilitate obtaining a new usable space for its programs and operations. The results of the campaign during the year are as follows:

	2009
Community donations, not including multi-year pledges	\$ 110,750
In-kind donations	1,754
City of Lethbridge community grant	200,000
Multi year pledges	46,500
Parent Link funding	30,728
Fundraising projects	5,319
Events	3,801
Interest	1,140
Total revenues	399,992
Less:	
Amount deferred for future costs (note 6)	(387,978)
Recognized as revenue	12,014
Expenses for the capital campaign are as follows:	
Event costs, promotional items and donor recognition	17,191
Donation in-kind expense	1,754
GST expense	417
Bank charges	31
Total expenses	19,393
Deficiency of revenues over expenditures, funded from internally restricted Family Centre funding	\$ (7,379)

10. Transfer

During the year funds were transferred from the unrestricted net assets to the funds internally restricted in order to allocate the cost of a capital campaign capital addition made in 2008.

11. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.