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### Financial Information Act - Statement of Financial Information

<b>Library Name:</b>	<b>Salt Spring Island Public Library Association</b>
<b>Fiscal Year Ended:</b>	<b>December 31, 2020</b>

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- 6) Schedule of Debt
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- 8) Schedule of Remuneration and Expenses
- 9) Statement of Severance Agreements
- 10) Statement of Changes in Financial Position
- 11) Schedule of Payments for the Provision of Goods and Services

## Submission Checklist

### Financial Information Act - Statement of Financial Information

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

a)	<input checked="" type="checkbox"/>	Approval of Statement of Financial Information
b)	<input checked="" type="checkbox"/>	A Management Report signed and dated by the Library Board and Library Director
An operational statement including:		
c)	<input checked="" type="checkbox"/>	i) Statement of Income
	<input checked="" type="checkbox"/>	ii) Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to the Financial Statements (audited <sup>1</sup> financial statements)
d)	<input checked="" type="checkbox"/>	Statement of assets and liabilities (audited <sup>1</sup> financial statements)
e)	<input checked="" type="checkbox"/>	Schedule of debts (audited <sup>1</sup> financial statements) If there is no debt, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
f)	<input checked="" type="checkbox"/>	Schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. If no agreements, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
Schedule of Remuneration and Expenses, including:		
	<input checked="" type="checkbox"/>	i) An alphabetical list of employees (first and last names) earning over \$75,000
	<input checked="" type="checkbox"/>	ii) Total amount of expenses paid to or on behalf of each employee under 75,000
	<input checked="" type="checkbox"/>	iii) If the total wages and expenses differs from the audited financial statements, an explanation is required
g)	<input checked="" type="checkbox"/>	iv) A list, by name and position, of Library Board Members with the amount of any remuneration paid to or on behalf of the member.
	<input checked="" type="checkbox"/>	v) The number of severance agreements started during the fiscal year and the range of months` pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required.
Schedule of Payments for the Provision of Goods and Services including:		
h)	<input checked="" type="checkbox"/>	i) An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.

<sup>1</sup> Municipal Libraries and Regional Library Districts must provide audited financial statements as per the *Libraries Act* section 11(2) and 26(2) (a). Audited statements are not required for the SOFI but if available, please include them.

**Board Approval Form**

**Financial Information Act - Statement of Financial Information**

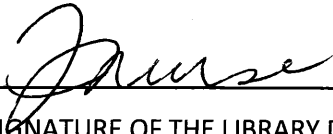
NAME OF LIBRARY		FISCAL YEAR END (YYYY)
Salt Spring Island Public Library Association		December 31, 2020
LIBRARY ADDRESS		TELEPHONE NUMBER
129 McPhillips Ave		250-537-4666
CITY	PROVINCE	POSTAL CODE
Salt Spring Island	BC	V8K 2T6
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD		TELEPHONE NUMBER
Judy Nurse		250-538-2269
NAME OF THE LIBRARY DIRECTOR		TELEPHONE NUMBER
Karen Hudson		250-537-4666 ext 223

**DECLARATION AND SIGNATURES**

*We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information of the year ended December 31, 2020 for Salt Spring Island Public Library Association as required under Section 2 of the Financial Information Act.*

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD\*

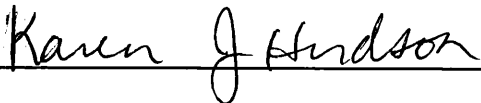
DATE SIGNED (DD-MM-YYYY)



~~DD-MM-YYYY~~ 30/04/2021

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)



~~DD-MM-YYYY~~ 28/04/2021

## Management Report

### Financial Information Act - Statement of Financial Information

**Library Name:** Salt Spring Island Public Library Association  
**Fiscal Year Ended:** December 31, 2020

#### MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of the Library is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

On behalf of Salt Spring Island Public Library Association

**Name. Chairperson of the  
Library Board**

Judy Nurse

**Signature,  
Chairperson of the Library  
Board**



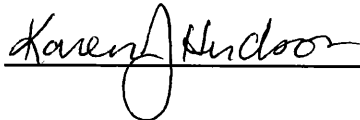
**Date  
(MM-DD-YYYY)**

04/30/2021

**Name,  
Library Director**

Karen Hudson

**Signature,  
Library Director**



**Date  
(MM-DD-YYYY)**

04/28/2021

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION**

**Financial Statements**

**Year Ended December 31, 2020**

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION**

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**Year Ended December 31, 2020**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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Management is responsible for the preparation and fair presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates. The financial statements of Salt Spring Island Public Library Association have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board Members are neither management nor employees of the Association, are responsible for overseeing management in the performance of its financial reporting responsibilities, and ultimately responsible for reviewing and approving the financial statements.

The financial statements have been reviewed by McLean, Lizotte, Wheadon and Company, an independent practitioner appointed by the Association, in accordance with Canadian public sector accounting standards. The accompanying Independent Practitioner's Review Engagement Report outlines their responsibilities, the scope of their examination, and their opinion on the Association's financial statements.

Authentisign  


Sheragh Bannister, Treasurer

Authentisign  


Karen Hudson, Chief Librarian

Salt Spring Island, BC  
 March 16, 2021



CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Salt Spring Island Public Library Association

We have reviewed the accompanying financial statements of Salt Spring Island Public Library Association which comprise the statement of financial position as at December 31, 2020 and the statements of operations, changes in accumulated surplus, changes in net financial assets (net debt) 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 public sector accounting standards, 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.

### *Practitioner's Responsibility for the Financial Statements*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Salt Spring Island Public Library Association as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matters*

We draw attention to Note 1 of the financial statements, which describes the situation in the context of the novel coronavirus ("COVID-19") global pandemic declared by the World Health Organization. Our opinion is not modified in respect to this matter.

The financial statements for the year ended December 31, 2019 were reviewed by another accounting firm. That firm expressed an unmodified conclusion on the financial statements dated March 24, 2020.

*McLean, Lizotte, Wheadon and Company*

**MCLEAN, LIZOTTE, WHEADON AND COMPANY**  
Chartered Professional Accountants

Salt Spring Island, British Columbia  
March 16, 2021

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SALT SPRING ISLAND, BC  
V8K 2V3  
250-537-9742  
FAX: 250-537-9792

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300A-3060 CEDAR HILL ROAD  
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email: [cpa@mlwaccounting.ca](mailto:cpa@mlwaccounting.ca)

*\*denotes partnership of professional corporations*



## SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION

## Statement of Financial Position

December 31, 2020

	2020	2019 (Restated)
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 347,714	\$ 421,209
Accounts receivable	14,523	12,328
Investments	200,000	125,000
Endowments (Note 4)	140,894	140,562
	<u>703,131</u>	<u>699,099</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	13,330	12,687
Due to Government agencies	5,761	4,878
Deferred revenue and deposits	4,318	14,152
	<u>23,409</u>	<u>31,717</u>
<b>NET FINANCIAL ASSETS</b>	<u>679,722</u>	<u>667,382</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 5)	243,955	240,655
Prepaid expenses	9,022	7,228
	<u>252,977</u>	<u>247,883</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 932,699</u>	<u>\$ 915,265</u>

## ON BEHALF OF THE BOARD

Authentisign  
  
 3/16/2021 3:55:28 PM PDT \_\_\_\_\_ Trustee

Authentisign  
  
 3/16/2021 1:48:39 PM PDT \_\_\_\_\_ Trustee

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION****Statement of Operations**  
**Year Ended December 31, 2020**

	Budget 2020	2020	2019 (Restated)
<b>REVENUES</b>			
CRD tax requisition	\$ 430,000	\$ 418,730	\$ 383,730
Donations	39,400	76,581	71,458
Government transfers - provincial	50,485	52,506	52,895
Other grants	6,500	24,012	23,208
Government transfers - federal	21,955	22,511	12,917
Operating revenue	37,200	18,950	38,018
Investment income	7,790	5,294	5,189
Gain on disposal of investments	-	-	9,895
	<u>593,330</u>	<u>618,584</u>	<u>597,310</u>
<b>ADMINISTRATIVE EXPENSES</b>			
Amortization	-	79,319	71,783
Building occupancy	95,100	81,931	94,152
Library materials	31,200	46,715	33,489
Supplies and services	107,200	88,948	107,589
Salaries and wages	305,459	304,237	253,963
	<u>538,959</u>	<u>601,150</u>	<u>560,976</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 54,371</u>	<u>\$ 17,434</u>	<u>\$ 36,334</u>

See notes to financial statements

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION**  
**Statement of Changes in Accumulated Surplus**  
**Year Ended December 31, 2020**

	2020	2019 (Restated)
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b> <i>(Note 6)</i>	<b>\$ 915,265</b>	<b>\$ 878,931</b>
<b>ANNUAL SURPLUS</b>	<b>17,434</b>	<b>36,334</b>
<b>ACCUMULATED SURPLUS - END OF YEAR</b> <i>(Note 6)</i>	<b>\$ 932,699</b>	<b>\$ 915,265</b>

See notes to financial statements

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION**  
**Statement of Changes in Net Financial Assets (Net Debt)**  
**Year Ended December 31, 2020**

	Budget	Actual 2020	Actual 2019 (Restated)
<b>ANNUAL SURPLUS</b>	<b>\$ 54,371</b>	<b>\$ 17,434</b>	<b>\$ 36,334</b>
Amortization of tangible capital assets	-	<b>79,319</b>	71,783
Additions to tangible capital assets	(108,050)	<b>(82,607)</b>	(79,357)
Decrease (increase) in prepaid expenses	-	<b>(1,806)</b>	4,558
	(108,050)	<b>(5,094)</b>	(3,016)
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>(53,679)</b>	<b>12,340</b>	33,318
<b>NET FINANCIAL ASSETS - BEGINNING OF YEAR</b>	-	<b>667,382</b>	634,064
<b>NET FINANCIAL ASSETS (DEBT) - END OF YEAR</b>	<b>\$ (53,679)</b>	<b>\$ 679,722</b>	<b>\$ 667,382</b>

See notes to financial statements

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION****Statement of Cash Flows****Year Ended December 31, 2020**

	2020	2019 (Restated)
<b>OPERATING ACTIVITIES</b>		
Annual Surplus	\$ 17,434	\$ 36,334
Item not affecting cash:		
Amortization of tangible capital assets	79,319	71,783
	<u>96,753</u>	<u>108,117</u>
Changes in non-cash working capital:		
Accounts receivable	(2,195)	2,792
Prepaid expenses	(1,794)	4,550
Accounts payable and accrued liabilities	632	(4,200)
Due to Government agencies	883	354
Deferred revenue and deposits	(9,834)	9,763
	<u>(12,308)</u>	<u>13,259</u>
Cash flow from operating activities	<u>84,445</u>	<u>121,376</u>
<b>INVESTING ACTIVITIES</b>		
Aquisition of tangible capital assets	(82,607)	(79,357)
Sale (purchase) of investments	(75,333)	(151,002)
Cash flow used by investing activities	<u>(157,940)</u>	<u>(230,359)</u>
<b>DECREASE IN CASH FLOW</b>	<b>(73,495)</b>	<b>(108,983)</b>
Cash - beginning of year	<u>421,209</u>	<u>530,192</u>
<b>CASH - END OF YEAR</b>	<b>\$ 347,714</b>	<b>\$ 421,209</b>

## SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION

### Notes to Financial Statements Year Ended December 31, 2020

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#### 1. FINANCIAL IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared a global pandemic due to the outbreak of novel coronavirus ("COVID-19"). The situation is continuously developing and the economic impact has been substantial to both Canada and the globe.

As at March 16, 2021, the Association is aware of the changes in its operations as a result of the COVID-19 pandemic, including the cancellation of scheduled events and postponement of future events.

The Association is not able to fully estimate the impact of COVID-19 on operations at this time given the continuous evolution of the pandemic and the global responses to mitigate its spread. The Society's realized financial impact will be accounted for when it is known and may be assessed.

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#### 2. PURPOSE OF THE ASSOCIATION

Salt Spring Island Public Library Association (the "Association") is a not-for-profit organization Established under the Library Act of British Columbia. As a registered charity the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Association operated the public library serving the residents of Salt Spring Island.

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#### 3. SIGNIFICANT ACCOUNTING POLICIES

##### (a) Financial Statement presentation

The financial statements of the Association have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Association are as follows:

##### (b) Reporting entity

The financial statements reflect the assets, liabilities, accumulated surplus, revenues and expenses of the Association. The Association does not control any external entities to be consolidated in the financial statements. Interfund balances and transactions have been eliminated.

##### (c) Basis of accounting

The Association follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

##### (d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, term deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(continues)

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**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION****Notes to Financial Statements****Year Ended December 31, 2020****3. SIGNIFICANT ACCOUNTING POLICIES (continued)****(e) Investments**

Investments are comprised of guaranteed income certificates and recorded at cost. Investment income is reported as revenue in the period earned. When there is a loss in value other than a temporary decline, the investment is written down to recognize the loss.

**(f) Revenue recognition**

The Association follows the deferral method of accounting.

Fines are recorded when received as a result of the difficulty in determining collectability.

Receipts that are restricted by legislation or by agreement with external parties are reported as deferred revenue. When qualifying expenses are incurred, deferred revenues are brought into revenue in equal amounts.

**(g) Government transfers**

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Government transfers with stipulations are recognized as revenue when authorized and eligibility criteria have been met, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability.

**(h) Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

**I. Tangible capital assets**

Tangible capital assets are recorded at cost which includes amounts that are directly attributed to acquisition, construction, development or betterment of an asset. The cost, less residual value of the capital asset is amortized at the following rates, using the following methods:

Artwork	non-amortizable
Computer equipment	33% declining-balance method
Furniture and fixtures	25% declining-balance method
Library book collection	20% straight-line method

Electronic media, paperbacks, periodicals, and database subscriptions are expensed in the year of purchase.

The Association regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

*(continues)*

**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION****Notes to Financial Statements  
Year Ended December 31, 2020****3. SIGNIFICANT ACCOUNTING POLICIES (continued)****(i) Use of estimates**

Preparation of the financial statements in conformity with Canadian public sector accounting standards requires the Board to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and estimating provisions for accrued liabilities. Actual results could differ from these estimates and adjustments, if any, will be reflected in the period of settlement or upon a change in the estimate.

**(j) Financial instruments**

The Association's financial assets and liabilities are initially recognized at fair value. Financial assets include cash and cash equivalents and accounts receivable. The carrying amount of these financial instruments approximates their fair value because they are short-term in nature or because they bear interest at market rates.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, liquidity or credit risk arising from these financial instruments.

**4. ENDOWMENTS**

Endowment records the accumulation of externally restricted and internally restricted contributions that are to be held in perpetuity. The income generated by the endowments is made available to the Association.

External restrictions refer to any conditions or specific uses that have been requested or required by the donor(s) in making a gift to the Society. Internal restrictions refer to those funds which the Board has earmarked for this specific purpose, where the donor(s) have not placed any restrictions on their use.

The Kertland Endowment fund represents externally restricted funds. The remaining Endowments represents internally restricted fund as per the Board's investment policy intended to be held in perpetuity.

Endowment funds are held with Investors Group Wealth Management and comprised of listed mutual funds. They are recorded at cost. When there is a loss in value other than a temporary decline, the investment is written down to recognize the loss.

	2020	2019
Investors Group - Kertland Endowment Fund	\$ 16,866	\$ 16,685
Investors Group	124,028	123,877
	-	-
	<u>\$ 140,894</u>	<u>\$ 140,562</u>

The market value of the endowment investments is \$153,797 (2019 - \$145,546).



**SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION****Notes to Financial Statements****Year Ended December 31, 2020****5. TANGIBLE CAPITAL ASSETS**

<u>Cost</u>	2019 Balance	Additions	Disposals	2020 Balance
Artwork	\$ 59,635	\$ 2,336	\$ -	\$ 61,971
Books	571,358	46,906	-	618,264
Computer hardware and software	224,065	21,358	-	245,423
Furniture and equipment	408,609	1,049	-	409,658
Leasehold improvements	17,546	10,959	-	28,505
	<u>\$ 1,281,213</u>	<u>\$ 82,608</u>	<u>\$ -</u>	<u>\$ 1,363,821</u>

<u>Accumulated Amortization</u>	2019 Balance	Amortization	Accumulated Amortization on Disposals	2020 Balance
Books	\$ 482,898	\$ 44,339	\$ -	\$ 527,237
Computer hardware and software	187,767	19,026	-	206,793
Furniture and fixtures	363,718	11,485	-	375,203
Leasehold improvements	6,165	4,468	-	10,633
	<u>\$ 1,040,548</u>	<u>\$ 79,318</u>	<u>\$ -</u>	<u>\$ 1,119,866</u>

<u>Net book value</u>	2020	2019 (Restated)
Artwork	\$ 61,971	\$ 59,635
Books	91,027	88,460
Computer hardware and software	38,630	36,298
Furniture and equipment	34,455	44,891
Leasehold improvements	17,872	11,381
	<u>\$ 243,955</u>	<u>\$ 240,665</u>

## SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION

## Notes to Financial Statements

Year Ended December 31, 2020

**6. ACCUMULATED SURPLUS**

Accumulated surplus is comprised of:

	2020	2019 (Restated)
<u>Surplus from general fund</u>		
Balance, beginning of year	\$ 78,519	\$ 67,651
Add: current year surplus	92,305	88,082
Purchase of capital assets	(82,609)	(77,214)
Interfund transfers	(41,154)	-
	<u>47,061</u>	<u>78,519</u>
<u>Invested in tangible capital assets</u>		
Balance, beginning of year	240,665	233,089
Purchase of capital assets	82,609	79,359
Less: amortization	(79,319)	(71,783)
	<u>243,955</u>	<u>240,665</u>
<u>Operating reserve fund</u>		
Balance, beginning of year	395,447	392,566
Add: current year surplus	4,118	2,881
Interfund transfer	41,154	-
	<u>440,719</u>	<u>395,447</u>
<u>Capital improvement fund</u>		
Balance, beginning of year	60,070	60,070
Add: current year surplus	-	-
	<u>60,070</u>	<u>60,070</u>
<u>Endowment fund</u>		
Balance, beginning of year	140,562	130,504
Add: current year surplus	1,395	12,205
Interfund transfers	(1,063)	(2,145)
	<u>140,894</u>	<u>140,564</u>
Grand total	<u>\$ 932,699</u>	<u>\$ 915,265</u>

**7. BUDGET**

The unaudited budget figures presented in these financial statements are based on the operating budget approved by the Board July 16, 2019 and are presented for information purposes only.

## SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION

### Notes to Financial Statements

Year Ended December 31, 2020

#### 8. ECONOMIC DEPENDENCE

The Association receives approximately 68% (2019 - 65%) of its revenues from the Capital Regional District (the "CRD"). Should this funding be cancelled or not renewed, management is of the opinion that continued viability of operations would not be assured.

#### 9. PREMISES AND LEASE

The Library Act of British Columbia prohibits the Association from owning a building. The Association entered into an agreement in 2011 with the CRD specifying the provisions of planning, construction, financing, and operation of the building occupied by the Association and also agreed to transfer the Association's existing real estate assets to the CRD. The transfer took place in 2011 and the construction of the building has been completed.

The Association currently leases the building from the CRD at a rate of \$10 per year for an initial term of ten years ending March 31, 2023. The lease may then be renewed for an additional ten-year term and four subsequent five-year terms at the same lease rate.

#### 10. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of December 31, 2020.

##### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The association is mainly exposed to other price risk on the endowment investments.

##### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The association is exposed to other price risk through its investment in quoted shares.

##### Additional risk

Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

## SALT SPRING ISLAND PUBLIC LIBRARY ASSOCIATION

### Notes to Financial Statements Year Ended December 31, 2020

#### 11. CORRECTION OF PRIOR PERIOD ERROR

The Association has determined that the amortization of the library book collection has been erroneously reported in prior years. As a result, the comparative figures for the Tangible Capital Assets, Invested in Capital Assets Fund, and General Fund have been restated.

The correction of this prior period error as resulted in:

- An increase to accumulated amortization balance at December 31, 2018 of \$93,637.72;
- A decrease to accumulated surplus at December 31, 2018 for the Invested in Capital Asset Fund of \$93,637.72;
- An increase to accumulated amortization balance at December 31, 2019 of \$2,246.59;
- An increase to amortization expense at December 31, 2019 of \$2,246.59;
- A decrease to annual surplus at December 31, 2019 of \$2,246.59;

The Association has determined that the Endowment Fund balance at December 31, 2019 was incorrectly reported. As a result, the comparative figure of the Endowment Fund and General Fund have been restated.

- A decrease in accumulated surplus at December 31, 2019 of the Endowment Fund of \$10,868.83;
- An increase of the accumulated surplus at December 31, 2019 of the General Fund of \$10,868.83.

#### 12. COMPARATIVE FIGURES

The financial statements for the year ended December 31, 2019 were reviewed by another accounting firm who expressed an unmodified conclusion on those financial statements on March 24, 2020.

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

**Schedule of Debt**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

The **Salt Spring Island Public Library Association** has no long term debt.

**Schedule of Guarantee and Indemnity**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

**Salt Spring Island Public Library Association** has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

**Schedule of Remuneration and Expenses**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

**Table 1 – Total Remuneration & Total Expenses**

	<b>Total Remuneration (Wages/Salaries)</b>	<b>Total Expenses (Reimbursement for Conferences/Mileage etc.)</b>
<b>Board Members</b>		
1) Shelagh Bannister	\$0	\$21.64
2) Judy Nurse	\$0	\$276.78
3) Andrea Little	\$0	\$198.52
<b>Total Board Members</b>	<b>\$0</b>	<b>\$496.94</b>

<b>Detailed Employees Exceeding \$75,000</b>		
1) Karen Hudson	\$78,999.96	\$604.01
2)	\$	\$
3)	\$	\$
<b>Total Detailed Employees Exceeding \$75,000</b>	<b>\$78,999.96</b>	<b>\$604.01</b>

<b>Total Employees Equal to or Less Than \$75,000</b>	<b>\$192,607.71</b>	<b>\$1607.12</b>
<b>Consolidated Total* (Sum of column)</b>	<b>\$271,607.67</b>	<b>\$2708.07</b>

**Table 2 – Total Employer Premium to Receiver General for Canada**

<b>Total Employer Premium for Canada Pension Plan and Employment Insurance</b>	<b>DO NOT USE</b>	<b>\$17,629.15</b>
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\* A Reconciliation to the financial statements is required, and any variance must be explained.

\* The Total Remuneration column and the Total Expenses Column **MUST REMAIN SEPARATE** throughout the form.

**Reconciliation of Remuneration and Expenses**

<b>Total Remuneration</b>		<b>\$ 271,607.67</b>
<b>Reconciling Items</b>		
	CPP/EI	\$17,629.15
Benefits	Item 1	\$4188.68
WCB	Item 2	\$438.80
Vacation Pay	Item 3	\$3338.82
RSP	Item 4	\$7033.76
<b>Total Per Statement of Revenue and Expenditure</b>		<b>\$ 304,237</b>
<b>Variance*</b>		<b>\$0.12</b>

No variance when figures rounded up.



**Statement of Severance Agreements**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

There were zero severance agreements made between Salt Spring Island Public Library Association and its non-unionized employees during fiscal year 2020.

**Schedule of Changes in Financial Position**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

A Statement of Changes in Financial Position has not been prepared because this information is provided in the Financial Statements.

**Schedule of Payments Made For the Provision of Goods and Services**

**Financial Information Act - Statement of Financial Information**

**Library Name:** Salt Spring Island Public Library Association

**Fiscal Year Ended:** December 31, 2020

<b>Name of Individual, Firm or Corporation</b>	<b>Total Amount Paid During Fiscal Year</b>
1)Salt Spring Books	\$29,563
2)	\$
3)	\$
<b>Total (Suppliers with payments exceeding \$25,000)</b>	<b>\$29,563</b>
<b>Total (Suppliers where payments are \$25,000 or less)</b>	<b>\$289,634</b>
<b>Consolidated Total</b>	<b>\$319,197</b>

**Reconciliation of Goods and Services**

<b>Total of Suppliers with Payments Exceeding \$25,000</b>		\$ 29,563
<b>Consolidated Total of Supplier Payments of \$25,000 or Less</b>		\$ 289,634
<b>Reconciling Items</b>		
Less capital acquisitions	Item 1	(\$82,061)
Plus amortization	Item 2	\$79,319
Plus total payroll costs	Item 3	\$304,237
Plus gifts in kind	Item 4	\$2,218
Less employer CPP/EI	Item 5	(\$17,629)
Less benefits and WCB	Item 6	(\$4,735)
<b>Total Per Statement of Revenue and Expenditure</b>		<b>\$ 601,150</b>
<b>Variance*</b>		<b>\$ 604</b>

The variance is 0.1%. Too small to reconcile.