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Financial Information Act - Statement of Financial Information

Library Name:	Kitimat Public Library Association
Fiscal Year Ended:	December 31, 2020

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10. Statement of Changes in Financial Position
11. Schedule of Payments for the Provision of Goods and Services including:

Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Kitimat 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 ii) Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to the Financial Statements (audited ¹ financial statements)
d)	<input checked="" type="checkbox"/>	Statement of assets and liabilities (audited ¹ financial statements)
e)	<input checked="" type="checkbox"/>	Schedule of debts (audited ¹ 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:		
g)	<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
	<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.

¹ 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.

As per the Libraries Act section 40(3)(a) Public Library Associations must prepare annual financial statements in accordance with generally accepted accounting principles. This also applies to Library Federations.

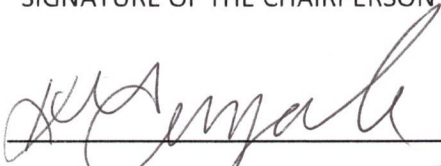
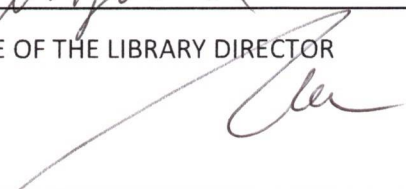
Board Approval Form

Financial Information Act - Statement of Financial Information

NAME OF LIBRARY		FISCAL YEAR END (YYYY)
Kitimat Public Library Association		2020
LIBRARY ADDRESS		TELEPHONE NUMBER
940 Wakashan Avenue		250 632-8985
CITY	PROVINCE	POSTAL CODE
Kitimat	BC	V8C 2G3
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD		TELEPHONE NUMBER
K. Genzale		250 279-2005
NAME OF THE LIBRARY DIRECTOR		TELEPHONE NUMBER
V. Charron		250 632-8982

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, 2019 for the Kitimat Public Library Association as required under Section 2 of the Financial Information Act.

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD*	DATE SIGNED
	April 10, 2021
SIGNATURE OF THE LIBRARY DIRECTOR	DATE SIGNED
	April 7, 2021

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Kitimat 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.

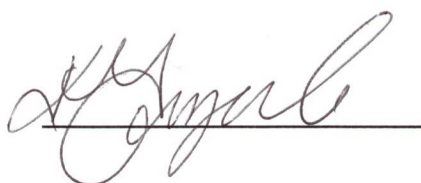
Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance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

External accountants conducted an independent examination, in accordance with generally accepted accounting standards and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review that the financial statements are presented fairly.

On behalf of the Kitimat Public Library Association

Signature,
Chairperson of the
Library Board



Date April 10, 2021

Signature,
Library Director



Date April 7, 2021

Prepared as required by *Financial Information Regulation*, Schedule 1, section 9

Financial Statements

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

See attached.

Kitimat Public Library Association
Financial Statements

December 31, 2020
(Unaudited)

Independent Practitioner's Review Engagement Report

To the Members of Kitimat Public Library Association:

We have reviewed the accompanying financial statements of Kitimat Public Library Association that comprise the statement of financial position as at December 31, 2020, and the statements of revenue and expenses, 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.

Practitioner's Responsibility

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 the financial statements do not present fairly, in all material respects, the financial position of Kitimat 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 accounting standards for not-for-profit organizations.

Terrace, British Columbia

April 2, 2021

MNP LLP

Chartered Professional Accountants

Kitimat Public Library Association

Statement of Financial Position

As at December 31, 2020

(Unaudited)

	2020	2019
Assets		
Current		
Cash	56,198	19,522
Accounts receivable	11,438	46,902
GST recoverable	3,407	2,476
	71,043	68,900
Tangible capital assets (Note 3)	144,689	108,050
	215,732	176,950
Liabilities		
Current		
Accounts payable and accruals	3,514	4,321
Net Assets		
Unrestricted	67,529	64,579
Invested in tangible capital assets	144,689	108,050
	212,218	172,629
	215,732	176,950

Approved on behalf of the Board of Trustees


Trustee


Trustee

The accompanying notes are an integral part of these financial statements

Kitimat Public Library Association

Statement of Revenue and Expenses

For the year ended December 31, 2020

(Unaudited)

	2020	2019
Revenue		
District of Kitimat general grant	497,600	487,796
District of Kitimat rental grant	111,600	111,600
Provincial grants	68,633	56,601
Other grants	1,590	8,255
Other revenue	2,295	8,694
	681,718	672,946
Expenses		
Advertising	-	250
Amortization	48,862	47,106
Association dues	935	838
Computer	11,292	12,175
Insurance	5,416	3,154
Office supplies	11,093	16,267
Professional fees	3,150	3,104
Programming	514	6,462
Rent	111,600	111,600
Repairs and maintenance	18,721	19,598
Salaries and benefits	423,059	437,052
Telephone and internet	5,866	4,618
Travel	1,621	11,530
	642,129	673,754
Excess (deficiency) of revenue over expenses	39,589	(808)

The accompanying notes are an integral part of these financial statements

Kitimat Public Library Association

Statement of Changes in Net Assets

For the year ended December 31, 2020

(Unaudited)

	<i>Unrestricted</i>	<i>Invested in tangible capital assets</i>	<i>2020</i>	<i>2019</i>
Net assets, beginning of year	64,579	108,050	172,629	173,437
Excess (deficiency) of revenue over expenses	39,589	-	39,589	(808)
	104,168	108,050	212,218	172,629
Purchase of tangible capital assets	(85,501)	85,501	-	-
Amortization of tangible capital assets	48,862	(48,862)	-	-
Net assets, end of year	67,529	144,689	212,218	172,629

The accompanying notes are an integral part of these financial statements

Kitimat Public Library Association

Statement of Cash Flows

For the year ended December 31, 2020

(Unaudited)

	2020	2019
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	39,589	(808)
Amortization	48,862	47,106
	88,451	46,298
Changes in working capital accounts		
Accounts receivable	35,464	(1,794)
GST recoverable	(931)	1,352
Accounts payable and accruals	(807)	292
	122,177	46,148
Investing		
Purchase of tangible capital assets	(85,501)	(57,386)
Increase (decrease) in cash resources	36,676	(11,238)
Cash resources, beginning of year	19,522	30,760
Cash resources, end of year	56,198	19,522

The accompanying notes are an integral part of these financial statements

Kitimat Public Library Association
Notes to the Financial Statements
For the year ended December 31, 2020
(Unaudited)

1. Incorporation and nature of the organization

The Kitimat Public Library Association (the "Association") was established in 1955 under the Library Act of British Columbia. The Association is a registered charity and thus is exempt from income taxes under the Income Tax Act as long as certain conditions are met. The Association operates a library in Kitimat, BC.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Association's operations were impacted by COVID-19 due to temporary closure of operations and reduced customer demand in industry.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Association as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. The restricted balance in 2020 was Nil (2019 - Nil).

Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	5 years
Library book collection	5 years

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Association determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of revenue and expenses. Write-downs are not reversed.

2. Significant accounting policies (continued)

Revenue recognition

The Association 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. Endowment contributions are recognized as direct increases in net assets.

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.

Interest and other revenue are recorded in the year they are earned. Fines are recognized when received as a result of the difficulty in determining collectibility.

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment:

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of excess in the year the reversal occurs.

Kitimat Public Library Association
Notes to the Financial Statements
For the year ended December 31, 2020
(Unaudited)

2. Significant accounting policies (continued)

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. Tangible capital assets

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	10,942	2,084	8,858	4,452
Furniture and fixtures	6,012	375	5,637	711
Leasehold improvements	28,691	2,869	25,822	-
Library book collection	457,727	353,355	104,372	102,887
	503,372	358,683	144,689	108,050

4. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

5. Economic dependence

The Association is economically dependant on funding from the District of Kitimat to operate in which the Association received 89% (2019 - 89%) of its revenue.

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

The Kitimat Public Library Association has no long term debt.

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

The Kitimat 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: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

Table 1 – Total Remuneration & Total Expenses

Board Members		
A. Graeme	\$0	\$0
A. Pozsgay	\$0	\$0
J. Borgens	\$0	\$0
L. Campbell	\$0	\$0
D. Denholm	\$0	\$0
K. Genzale	\$0	\$0
J. Sluyter	\$0	\$0
Total Board Members	\$0	\$0
Detailed Employees Exceeding \$75,000		
1) V. Charron	\$104,305.67	\$186.28
Total Detailed Employees Exceeding \$75,000	\$104,305.67	\$186.28
Total Employees Equal to or Less Than \$75,000		
	\$244,381.80	\$
Consolidated Total* (Sum of column)	\$348,687.47	\$186.28

Table 2 – Total Employer Premium to Receiver General for Canada

Total Employer Premium for Canada Pension Plan and Employment Insurance	DO NOT USE	\$19,294.54
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Reconciliation of Remuneration and Expenses

Total Remuneration		\$348,687.47
Reconciling Items		\$ 74,371.11
Total Per Statement of Revenue and Expenditure Variance*		\$423,058.58
		\$ 0

Prepared as required by Financial Information Regulation, Schedule 1, section 6

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

There were no severance agreements made between The Kitimat Public Library Association and its non-unionized employees during fiscal year 2020.

Statement of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Kitimat 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: Kitimat Public Library Association

Fiscal Year Ended: December 31, 2020

1) United Library Services	\$ 25,280.07
2) District of Kitimat	\$ 111,600.00
Total (Suppliers with payments exceeding \$25,000)	\$ 136,880.07
Total (Suppliers where payments are \$25,000 or less)	\$ 58,607.60
Consolidated Total	\$ 195,487.67

Reconciliation of Goods and Services

Total of Suppliers with Payments Exceeding \$25,000		\$ 136,880.07
Consolidated Total of Supplier Payments of \$25,000 or Less		\$ 58,607.60
Reconciling Items		
	Item 1 Salaries and benefits	\$ 423,058.58
	Item 2 Amortization expense	\$ 48,861.77
	Item 3 Inventory	\$ (25,280.07)
Total Per Statement of Revenue and Expenditure		\$ 642,127.95
Variance*		\$ 0

Prepared as required by Financial Information Regulation, Schedule 1, section 7