

## TABLE OF CONTENTS

### Financial Information Act - Statement of Financial Information

**Library Name:** Sparwood Public Library Association

**Fiscal Year Ended:** December 31, 2019

Documents are in the following order:

- 1) Table of Contents
- 2) Financial Information Act Submission Checklist
- 3) Board Approval Form
- 4) Management Report
- 5) Financial Statements
  - a. Statement of Revenue and Expenditures
  - b. Statement of Assets and Liabilities
- 6) Schedule of Debt
- 7) Schedule of Guarantee and Indemnity Agreements
- 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:** Sparwood Public Library Association

**Fiscal Year Ended:** December 31 2019

**Due Date: May 15<sup>th</sup>, 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 <b>Sparwood Public Library Association</b>	FISCAL YEAR END (YYYY) <b>2019</b>
LIBRARY ADDRESS <b>110 Pine Avenue (P.O. Box 1060)</b>	TELEPHONE NUMBER <b>250-425-2299.</b>
CITY <b>Sparwood</b>	PROVINCE <b>British Columbia</b>
	POSTAL CODE <b>VOB 2G0</b>
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD <b>Norma Bayer</b>	TELEPHONE NUMBER <b>778 - 518 - 1420</b>
NAME OF THE LIBRARY DIRECTOR <b>James Bertoia</b>	TELEPHONE NUMBER <b>250-425-2299</b>

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

  
SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD\*

DATE SIGNED 31-05-2020

  
SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED 31-05-2020

## Management Report

### Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association  
Fiscal Year Ended: 2019

#### 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.

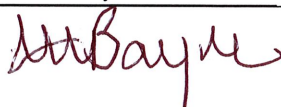
The external auditors, **Albert Snook, 4-A Professional Services**, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of  
Sparwood Public Library  
Association

Name. Chairperson of the  
Library Board

Norma Bayer

Chairperson of the Library  
Board



Date  
May 29 2020

Name,  
Library Director]

James Bertoia

Signature,  
Library



Date  
May 29 2020



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**SPARWOOD PUBLIC LIBRARY ASSOCIATION**

**Financial Statements**

**Year Ended December 31, 2019**

**SPARWOOD PUBLIC LIBRARY ASSOCIATION**

**Index to Financial Statements**

**Year Ended December 31, 2019**

*(Unaudited)*

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	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Capital Reserve Fund Revenues and Expenditures	3
Statement of Operating Fund Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 10



**PROFESSIONAL**  
S E R V I C E S

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Sparwood Public Library Association

I have reviewed the accompanying financial statements of Sparwood Public Library Association (the Organization) that comprise the statement of financial position as at December 31, 2019, and the statements of operating fund revenues and expenditures, reserve fund revenues and expenditures, 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 (ASNPO), 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*

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, I do not express an audit opinion on these financial statements.

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Sparwood Public Library Association as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Calgary, Alberta  
May 28, 2020

4-A PROFESSIONAL SERVICES  
CHARTERED PROFESSIONAL ACCOUNTANT

**SPARWOOD PUBLIC LIBRARY ASSOCIATION**  
**Statement of Operating Fund Revenues and Expenditures**  
**Year Ended December 31, 2019**

	2019	2018
<b>REVENUES</b>		
Grants-in-aid (Note 6)	\$ 254,201	\$ 242,223
Fines and services	9,987	10,598
Goods and services tax rebates	-	5,123
Fundraising	1,094	37
Donations	7,688	6,723
	<u>272,970</u>	<u>264,704</u>
<b>EXPENSES</b>		
Accounting fees	6,250	5,650
Advertising and promotion	2,343	1,682
Amortization	13,727	11,728
Bookkeeping	4,714	5,050
Books and recordings	40,918	36,437
GST paid	2,469	5,123
Insurance	7,004	5,305
Interest and bank charges	1,173	884
Janitorial services and supplies	16,830	16,709
Library services and supplies	5,332	3,639
Meetings and conventions	1,529	1,437
Memberships	1,942	3,593
Office	19,096	16,120
Repairs and maintenance	7,435	12,990
Telephone	1,194	1,102
Training	159	402
Utilities	8,126	8,095
Wages and benefits	140,097	139,373
	<u>280,338</u>	<u>275,319</u>
<b>DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	(7,368)	(10,615)
<b>OTHER INCOME</b>	(11)	19
<b>DEFICIENCY OF REVENUES OVER EXPENSES BEFORE RESERVE FUND OPERATIONS</b>	(7,379)	(10,596)
<b>CAPITAL ASSETS RESERVE FUND OPERATIONS</b>		
Excess of revenues over expenses	16,240	16,096
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 8,861</u>	<u>\$ 5,500</u>

See notes to financial statements

**SPARWOOD PUBLIC LIBRARY ASSOCIATION**

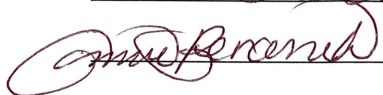
**Statement of Financial Position**

**December 31, 2019**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 87,239	\$ 73,028
Grants receivable	6,000	6,000
Goods and services tax recoverable	2,469	5,123
Prepaid expenses	7,206	8,566
	<u>102,914</u>	92,717
LONG TERM INVESTMENTS (Note 3)	32,985	22,745
PROPERTY AND EQUIPMENT (Note 4)	233,174	242,856
	<u>\$ 369,073</u>	\$ 358,318
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 13,797	\$ 11,470
Wages payable	4,443	4,392
Employee deductions payable (Note 5)	2,242	2,726
	<u>20,482</u>	18,588
<b>FUND BALANCES</b>		
Operating fund	267,090	274,469
Capital assets reserve fund	81,501	65,261
	<u>348,591</u>	339,730
	<u>\$ 369,073</u>	\$ 358,318

**ON BEHALF OF THE BOARD**

 Director

 Director

See notes to financial statements

**SPARWOOD PUBLIC LIBRARY ASSOCIATION**  
**Statement of Capital Assets Reserve Fund Revenues and Expenditures**  
**Year Ended December 31, 2019**  
*(Unaudited)*

	2019	2018
<b>REVENUES</b>		
Grants-in-aid <i>(Note 6)</i>		
- District of Sparwood	\$ 10,000	\$ 10,000
- Transfer of District of Sparwood Matching Grant	6,000	6,000
Interest income	240	96
	<u>16,240</u>	<u>16,096</u>
<b>EXPENSES</b>		
Building repairs	-	-
	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 16,240</u>	<u>\$ 16,096</u>



**SPARWOOD PUBLIC LIBRARY ASSOCIATION****Statement of Changes in Net Assets****Year Ended December 31, 2019**

	Operating Fund	Capital Assets Reserve Fund	2019	2018
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 274,469	\$ 65,261	\$ 339,730	\$ 334,230
<b>EXCESS OF REVENUES OVER EXPENSES</b>	(7,379)	16,240	8,861	5,500
<b>NET ASSETS - END OF YEAR</b>	\$ 267,090	\$ 81,501	\$ 348,591	\$ 339,730

See notes to financial statements

**SPARWOOD PUBLIC LIBRARY ASSOCIATION**

**Statement of Cash Flows**  
**Year Ended December 31, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 8,861	\$ 5,500
Item not affecting cash:		
Amortization of property and equipment	<u>13,727</u>	<u>11,728</u>
	<u>22,588</u>	<u>17,228</u>
Changes in non-cash working capital:		
Grants receivable	-	2,306
Accounts payable	2,327	1,649
Prepaid expenses	1,360	(2,716)
Goods and services tax payable	2,654	(766)
Wages payable	51	1,028
Employee deductions payable	<u>(484)</u>	<u>(727)</u>
	<u>5,908</u>	<u>774</u>
Cash flow from operating activities	<u>28,496</u>	<u>18,002</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(4,045)	(6,334)
Long term Investments	<u>(10,240)</u>	<u>(10,105)</u>
Cash flow used by investing activities	<u>(14,285)</u>	<u>(16,439)</u>
<b>INCREASE IN CASH FLOW</b>	<b>14,211</b>	<b>1,563</b>
Cash - beginning of year	<u>73,028</u>	<u>71,465</u>
<b>CASH - END OF YEAR</b>	<u><b>\$ 87,239</b></u>	<u><b>\$ 73,028</b></u>

See notes to financial statements



# SPARWOOD PUBLIC LIBRARY ASSOCIATION

## Notes to Financial Statements

Year Ended December 31, 2019

(Unaudited)

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### 1. DESCRIPTION OF THE ORGANIZATION

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

The organization prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Fund accounting

The Sparwood Public Library Association follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the organization's service delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Capital Assets Fund reports restricted revenues and expenses that are incurred for major repairs and replacements of the library building and infrastructure.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are petty cash, undeposited funds and cash floats.

#### Investments

Investments consisting of Money Market Funds are recorded at the lower of cost and market value.

#### Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Buildings	4%
Furniture and equipment	20%
Computer equipment	55%
Computer software	100%

The organization regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

No amortization is recorded in the year of acquisition or disposal of a capital asset.

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# SPARWOOD PUBLIC LIBRARY ASSOCIATION

## Notes to Financial Statements

Year Ended December 31, 2019

(Unaudited)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. Restricted contributions related to plant and equipment replacements are recognized as revenue of the Capital Assets Reserve Fund in the year received.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue of the Capital Assets Reserve Fund when earned.

#### Contributed services

Volunteers contribute about 500 hours per year to assist the Sparwood Public Library Association in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### Measurement uncertainty

When preparing financial statements according to ASNPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- estimated useful life of tangible capital assets

### 3. LONG TERM INVESTMENTS

	2019	2018
Investors Canadian Money Market Fund B units, market value \$32,985 (2018 - \$22,745)	\$ 32,985	\$ 22,745

### 4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Buildings	\$ 684,056	\$ 461,382	\$ 222,674	\$ 231,952
Furniture and equipment	100,963	97,424	3,539	4,424
Computer equipment	21,494	14,533	6,961	6,480
Computer software	17,765	17,765	-	-
	\$ 824,278	\$ 591,104	\$ 233,174	\$ 242,856

# SPARWOOD PUBLIC LIBRARY ASSOCIATION

## Notes to Financial Statements

Year Ended December 31, 2019

(Unaudited)

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### 5. GOVERNMENT REMITTANCES PAYABLE

Government remittances (other than income taxes) include, for example, federal and provincial sales taxes, payroll taxes, and workers' safety insurance premiums. The following government remittances were payable at year end:

	2019	2018
Employee deductions payable	\$ 2,242	\$ 2,726

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### 6. GRANTS-IN-AID

	2019	2018
District of Sparwood	\$ 197,596	\$ 194,259
Province of British Columbia	32,750	32,338
Regional District of East Kootenay	23,051	22,599
Other	16,804	9,027
	<u>\$ 270,201</u>	<u>\$ 258,223</u>

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### 7. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2019.

#### (a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from three sources: cash and cash equivalents; accounts receivable and investments in Money Market Funds. Cash and cash equivalents are deposited with reputable major financial institutions to limit credit risk exposure. The risk from counter parties not paying accounts receivable is not considered to be significant. Investments consisting of Money Market Funds are issued by reputable financial institutions. In the opinion of management, the credit risk exposure to the company is low and is not material.

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SPARWOOD PUBLIC LIBRARY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2019

(Unaudited)

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7. FINANCIAL INSTRUMENTS *(continued)*

***(b) 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 organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities. In the opinion of management, the interest rate risk exposure to the company is low and is not material

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

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8. COMPARATIVE FIGURES

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

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**Schedule of Debt**

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

**Library Name:** Sparwood Public Library Association

**Fiscal Year Ended:** 2019

The **Sparwood Public Library Association** has no long term debt.

**Schedule of Guarantee and Indemnity**

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

**Library Name:** Sparwood Public Library Association

**Fiscal Year Ended:** 2019

**Sparwood 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: Sparwood Public Library Association  
 Fiscal Year Ended: 2019

	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
<b>Board Members</b>		
1) Norma Bayer	\$0	\$0
2) Sharon Arola	\$0	\$0
3) Harold Baytaluke	\$0	\$0
4) Beverly Bellina	\$0	\$0
5) Connie Beranek	\$0	\$0
6) Melody Bruce	\$0	\$0
7) Barbara Janco	\$0	\$0
<b>Total Board Members</b>	<b>\$0</b>	<b>\$0</b>

<b>Detailed Employees Exceeding \$75,000</b>		
1) N/A	\$	\$
2)	\$	\$
3)	\$	\$
<b>Total Detailed Employees Exceeding \$75,000</b>	<b>\$</b>	<b>\$</b>

<b>Total Employees Equal to or Less Than \$75,000</b>	<b>\$138.273</b>	<b>\$1,529</b>
<b>Consolidated Total* (Sum of column)</b>	<b>\$138.273</b>	<b>\$1,529</b>
<b>Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment)</b>	<b>DO NOT USE</b>	<b>\$0</b>

\* 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

Total Remuneration		\$138,273
Reconciling Items		
	WCB Expense	\$ 190
	Wage Benefits	\$ 1,634
	Item 3	\$ 0
	Item 4	\$ 0
Total Per Statement of Revenue and Expenditure		\$ 140,097
Variance*	Small variance due to wage accruals.	0



**Statement of Severance Agreements**

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

**Library Name:** Sparwood Public Library Association

**Fiscal Year Ended:** 2019

There were no severance agreements made between **Sparwood Public Library Association** Library and its non-unionized employees during fiscal year 2019.

**Schedule of Changes in Financial Position**

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

**Library Name:** Sparwood Public Library Association

**Fiscal Year Ended:** 2019

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:** Sparwood Public Library Association

**Fiscal Year Ended:** 2019

<b>Name of Individual, Firm or Corporation</b>	<b>Total Amount Paid During Fiscal Year</b>
1)	\$
2)	\$
3)	\$
<b>Total (Suppliers with payments exceeding \$25,000)</b>	<b>\$</b>
<b>Total (Suppliers where payments are \$25,000 or less)</b>	<b>\$ 121,004</b>
<b>Consolidated Total</b>	<b>\$ 121,004</b>

**Reconciliation of Goods and Services**

<b>Total of Suppliers with Payments Exceeding \$25,000</b>		<b>\$ 0</b>
<b>Consolidated Total of Supplier Payments of \$25,000 or Less</b>		<b>\$ 121,004</b>
<b>Reconciling Items</b>		
	Accounting accrual	\$ 5,500
	Wages, benefits & WCB	\$ 140,097
	Amortization	\$ 13,737
		\$ 0
<b>Total Per Statement of Revenue and Expenditure</b>		<b>\$ 280,338</b>
<b>Variance*</b>		<b>\$ 0</b>