

## TABLE OF CONTENTS

### Financial Information Act - Statement of Financial Information

**Library Name:** TRAIL & DISTRICT PUBLIC LIBRARY

**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:** TRAIL & DISTRICT PUBLIC LIBRARY

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

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:		
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.

<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 <i>TRAIL &amp; DISTRICT PUBLIC LIBRARY</i>	FISCAL YEAR END (YYYY) December 31, 2019
LIBRARY ADDRESS 1505 BAY AVENUE	TELEPHONE NUMBER 250-364-0821
CITY TRAIL	PROVINCE BC
	POSTAL CODE V1R 4B2
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD JEFF JONES	TELEPHONE NUMBER Click here to enter text.
NAME OF THE LIBRARY DIRECTOR SAMANTHA MURPHY	TELEPHONE NUMBER 250-364-0821

**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 DEC 31, 2019 for TRAIL & DISCTRICT PUBLIC LIBRARY as required under Section 2 of the Financial Information Act.*

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD\*

DATE SIGNED (DD-MM-YYYY)



22-06-2020

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)



24-06-2020

**Management Report**

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

**Library Name:** TRAIL & DISTRICT PUBLIC LIBRARY

**Fiscal Year Ended:** DECEMBER 31, 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, Grant Thornton LLP, 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 [Library name]

**Name. Chairperson of the  
Library Board [Print]**

JEFF JONES

**Signature,  
Chairperson of the Library  
Board**



**Date**

**(MM-DD-YYYY)**

06-22-2020

**Name,  
Library Director [Print]**

SAMANTHA MURPHY

**Signature,  
Library Director**



**Date**

**(MM-DD-YYYY)**

06-24-2020

Financial Statements

Trail and District Public Library

December 31, 2019

# Contents

	<b>Page</b>
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Operations and Accumulated Surplus	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 9

# Independent Auditor's Report

---

**Grant Thornton LLP**

1440 Bay Ave  
Trail, BC  
V1R 4B1

T +1 250 368 6445  
F +1 250 368 8488  
[www.GrantThornton.ca](http://www.GrantThornton.ca)

To the Board of Directors of  
Trail and District Public Library

## Qualified opinion

We have audited the financial statements of Trail and District Public Library (the "Library"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for qualified opinion

The Library expenses tangible capital asset additions in the year acquired and does not capitalize the tangible capital assets and record amortization thereon. We were unable to obtain sufficient appropriate audit evidence about the value of these tangible capital assets and the effect this has had on the Library's accumulated surplus because this information was not made available to us. Consequently, we were unable to determine whether any adjustment to these amounts were necessary.

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

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian 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.

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

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

# Independent Auditor's Report (continued)

## Auditor's responsibilities for the audit of the financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Trail, Canada  
June 16, 2020

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants



---

**Trail and District Public Library**  
**Statement of Financial Position**

December 31

**2019****2018**

---

**Financial Assets**

Cash	\$ 413,054	\$ 268,506
Accounts receivable (Note 3)	<u>9,634</u>	<u>7,825</u>
	<u>422,688</u>	<u>276,331</u>

**Financial liabilities**

Accounts payable and accrued liabilities (Note 4)	68,655	44,082
Unearned revenue (Note 5)	138,413	99,427
Due to the City of Trail (Note 6)	<u>90,070</u>	<u>42,002</u>
	<u>297,138</u>	<u>185,511</u>

**Net financial assets, being accumulated surplus****\$ 125,550**      **\$ 90,820**

---

On behalf of the Board of Directors



Director

# Trail and District Public Library

## Statements of Operations and Accumulated Surplus

Year ended December 31	2019 Budget	2019	2018
Revenue			
City of Trail operating grant	\$ 520,390	\$ 520,390	\$ 510,185
Government grants (Note 7)	72,121	57,046	53,525
Village of Warfield contributions	40,000	40,000	37,600
Other grants (Note 7)	-	39,702	19,955
Donations	59,927	17,074	11,338
Fines and fees	6,525	9,874	5,711
Rental	-	2,632	-
Interest	500	1,822	1,258
	<u>699,463</u>	<u>688,540</u>	<u>639,572</u>
Expenditures			
Accounting and internet	11,350	8,800	8,998
Advertising and programs	12,200	13,108	16,980
Association dues	1,490	936	975
Audio and visual	-	861	13,360
Books and educational materials	76,050	79,633	59,543
Computer expense	64,177	610	14,240
Fixtures and equipment	-	18,989	13,881
Periodicals and newspapers	15,350	14,754	12,015
Rent and insurance	3,100	3,000	3,063
Salaries and related benefits	500,856	457,211	426,844
Supplies and postage	9,900	9,412	14,477
Technology planning and maintenance	-	27,893	5,949
Telephone and utilities	-	-	237
Training and development	18,300	18,603	20,379
	<u>712,773</u>	<u>653,810</u>	<u>610,941</u>
Annual surplus	(13,310)	34,730	28,631
Accumulated surplus, beginning of year	<u>90,820</u>	<u>90,820</u>	<u>62,189</u>
Accumulated surplus, end of year	<u>\$ 77,510</u>	<u>\$ 125,550</u>	<u>\$ 90,820</u>

---

## Trail and District Public Library

### Statement of Cash Flows

Year ended December 31

**2019**

**2018**

---

#### Operating

Cash receipts from funders	<b>\$ 725,704</b>	\$ 627,723
Cash paid to suppliers	<b>(203,810)</b>	(188,241)
Cash paid to employees	<b>(427,236)</b>	(411,042)
Interest received	<b>1,822</b>	1,258
Interest paid	<b>-</b>	(637)
	<b>96,480</b>	29,061

#### Financing

City of Trail - advances (repayment)	<b>48,068</b>	(3,698)
--------------------------------------	---------------	---------

Increase in cash	<b>144,548</b>	25,363
------------------	----------------	--------

#### Cash

Beginning of year	<b>268,506</b>	243,143
-------------------	----------------	---------

End of year	<b>\$ 413,054</b>	\$ 268,506
-------------	-------------------	------------

---

---

# **Trail and District Public Library**

## **Notes to the Financial Statements**

December 31, 2019

---

### **1. Nature of operations**

The Trail and District Public Library (the "Library") was established under the Library Act of British Columbia for the purpose of operating and maintaining libraries and library services for the benefit of the City of Trail (the "City") and its citizens.

The members of the Library are appointed by the City's municipal council. Should the Library be wound up at any time, the remaining assets, after payment of all debts and liabilities, shall be turned over to the City.

---

### **2. Summary of significant accounting policies**

The Library was established in 1956 by the City of Trail by by-law #1308 and accordingly, the financial statements have been prepared in accordance with Canadian public sector accounting standards.

#### **Basis of accounting**

The Library 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 and services and/or the creation of a legal obligation to pay.

#### **Revenue recognition**

The Library follows the deferral method of accounting for contributions. Externally 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. Fines, fees and other grants are recorded on a cash basis.

#### **Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

#### **Budget information**

The budget data presented in these Financial Statements are from the Annual Budget adopted by the Library's Board of Directors.

---

# Trail and District Public Library

## Notes to the Financial Statements

December 31, 2019

### 3. Accounts receivable

	<u>2019</u>	<u>2018</u>
Goods and Services Tax receivable	\$ 7,935	\$ 6,840
Other accounts receivable	<u>1,699</u>	<u>985</u>
	<u>\$ 9,634</u>	<u>\$ 7,825</u>

### 4. Accounts payable and accrued liabilities

	<u>2019</u>	<u>2018</u>
Wages and benefits accrual	\$ 26,537	\$ 22,638
Vacation accrual	1,485	13,531
Trade payables	<u>40,633</u>	<u>7,913</u>
	<u>\$ 68,655</u>	<u>\$ 44,082</u>

### 5. Unearned revenue

	<u>Balance, beginning of year</u>	<u>Received</u>	<u>Recognized</u>	<u>Transfer</u>	<u>Balance, end of year</u>
New Library donations	\$ 99,427	\$ -	\$ (16,826)	\$ (41,000)	\$ 41,601
Community technology grant	-	80,514	(24,702)	-	55,812
New Library donations - computer	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,000</u>	<u>41,000</u>
	<u>\$ 99,427</u>	<u>\$ 80,514</u>	<u>\$ (41,528)</u>	<u>\$ -</u>	<u>\$ 138,413</u>

### 6. Due to the City of Trail

All cash disbursements of the Library are processed by the City of Trail, including payroll and accounts payable. These amounts are drawn down against the approved allocation from the Library for the fiscal year. The amount shown as Due to the City of Trail represents the net cash balance owed to the City by the Library at December 31, 2019.

---

# Trail and District Public Library

## Notes to the Financial Statements

December 31, 2019

---

### 7. Grants

#### Provincial grants

	<u>2019</u>	<u>2018</u>
Operating	\$ 36,035	\$ 36,035
BC One Card	10,250	10,250
Literacy and equity	6,436	6,436
Resource sharing	<u>4,325</u>	<u>804</u>
	<u>\$ 57,046</u>	<u>\$ 53,525</u>

#### Other grants

	<u>2019</u>	<u>2018</u>
Community technology	\$ 24,702	\$ -
Specified	8,409	19,322
Employment	6,591	628
Other	<u>-</u>	<u>5</u>
	<u>\$ 39,702</u>	<u>\$ 19,955</u>

---

### 8. Economic dependence

During the year, the Library was economically dependant on funding from the City of Trail and as a result, the Library's ability to remain a viable entity is dependent upon its right to receive this funding.

---

---

# Trail and District Public Library

## Notes to the Financial Statements

December 31, 2019

---

### 9. Pension plan

Trail and District Public Library and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation of the Municipal Pension Plan at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2021 with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

Trail and District Public Library paid \$19,574 (2018 - \$21,237) for employer contributions to the plan in fiscal 2019.

---

**Schedule of Debt**

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

**Library Name:** TRAIL & DISTRICT PUBLIC LIBRARY

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

The **TRAIL & DISTRICT PUBLIC LIBRARY** has no long-term debt.



**Schedule of Guarantee and Indemnity**

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

**Library Name:** TRAIL & DISTRICT PUBLIC LIBRARY

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

**THE TRAIL & DISTRICT PUBLIC LIBRARY** 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: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2019

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

	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
<b>Board Members</b>		
1)	\$	\$
2)	\$	\$
3)	\$	\$
<b>Total Board Members</b>	<b>\$0</b>	<b>\$0</b>

<b>Detailed Employees Exceeding \$75,000</b>		
1)	\$	\$
2)	\$	\$
3)	\$	\$
<b>Total Detailed Employees Exceeding \$75,000</b>	<b>\$0</b>	<b>\$0</b>

<b>Total Employees Equal to or Less Than \$75,000</b>	<b>\$432,326.00</b>	<b>\$0</b>
<b>Consolidated Total* (Sum of column)</b>	<b>\$432,326.00</b>	<b>\$0</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>\$24,885.00</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**

<b>Total Remuneration</b>		<b>\$432,326.00</b>
<b>Reconciling Items</b>		
	Item 1 – EMPLOYER PREMIUM (AS PER TABLE 2)	\$24,885.00
	Item 2	\$ 0
	Item 3	\$ 0
	Item 4	\$ 0
<b>Total Per Statement of Revenue and Expenditure</b>		<b>457,211.00</b>
<b>Variance*</b>		<b>\$ 0</b>

**Statement of Severance Agreements**

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

**Library Name:** TRAIL & DISTRICT PUBLIC LIBRARY

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

There were ZERO severance agreements made between **TRAIL & DISTRICT PUBLIC 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:** TRAIL & DISTRICT PUBLIC LIBRARY

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

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

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

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

**Library Name:** TRAIL & DISCTRICT PUBLIC LIBRARY

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

<b>Name of Individual, Firm or Corporation</b>	<b>Total Amount Paid During Fiscal Year</b>
1) UNITED LIBRARY	\$60,297.00
2) RECEIVER GENERAL	\$96,364.00
3)	\$
<b>Total (Suppliers with payments exceeding \$25,000)</b>	<b>\$156,661.00</b>
<b>Total (Suppliers where payments are \$25,000 or less)</b>	<b>\$90,608.00</b>
<b>Consolidated Total</b>	<b>\$237,269.00</b>

**Reconciliation of Goods and Services**

<b>Total of Suppliers with Payments Exceeding \$25,000</b>		\$ 156,661.00
<b>Consolidated Total of Supplier Payments of \$25,000 or Less</b>		\$ 90,608.00
<b>Reconciling Items</b>		
	SALARIES WAGES AND BENEFITS	\$416,541.00
	Item 2	\$ 0
	Item 3	\$ 0
	Item 4	\$ 0
<b>Total Per Statement of Revenue and Expenditure</b>		<b>\$ 653,810.00</b>
<b>Variance*</b>		<b>\$ 0</b>