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Financial Information Act - Statement of Financial Information

Library Name:	Kitimat Public Library Association
Fiscal Year Ended:	December 31, 2019

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9. Statement of Severance Agreements
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, 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 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:		
		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
g)	<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

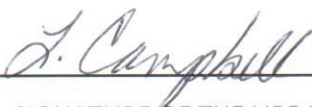
NAME OF LIBRARY		FISCAL YEAR END (YYYY)
Kitimat Public Library Association		2019
LIBRARY ADDRESS		TELEPHONE NUMBER
940 Wakashan Avenue		250 632-8985
CITY	PROVINCE	POSTAL CODE
Kitimat	BC	V8C 2G3
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD		TELEPHONE NUMBER
Linda Campbell		250 632-5084
NAME OF THE LIBRARY DIRECTOR		TELEPHONE NUMBER
Virginia Charron		250 632-8982 – 250 632-1080

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



May 4 , 2020

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED



May 4 , 2020

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

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.

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
May 4 , 2020

**Signature,
Library Director**



Date
May 4 , 2020

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, 2019

See attached.

Kitimat Public Library Association
Financial Statements

December 31, 2019
(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, 2019, 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, 2019, 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.

Other Matter

The financial statements of Kitimat Public Library Association for the year ended December 31, 2018 were reviewed by Carlyle Shepherd & Co. Carlyle Shepherd & Co issued a review engagement report without reservation on those statements on April 23, 2019.

Terrace, British Columbia

May 4, 2020

MNP LLP

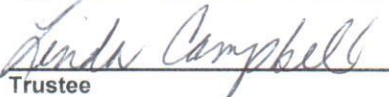
Chartered Professional Accountants

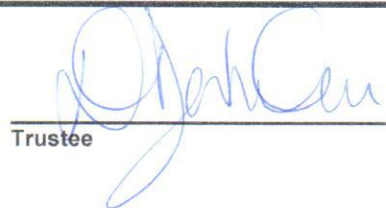
Kitimat Public Library Association **Statement of Financial Position**

As at December 31, 2019
(Unaudited)

	2019	2018
Assets		
Current		
Cash	19,522	30,760
Accounts receivable	46,902	45,108
GST recoverable	2,476	3,829
	68,900	79,697
Tangible capital assets (Note 3)	108,050	97,769
	176,950	177,466
Liabilities		
Current		
Accounts payable and accruals	4,321	4,029
Subsequent events (Note 4)		
Net Assets		
Unrestricted	64,579	75,667
Invested in tangible capital assets	108,050	97,770
	172,629	173,437
	176,950	177,466

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, 2019
(Unaudited)*

	2019	2018
Revenue		
District of Kitimat general grant	487,796	475,075
District of Kitimat rental grant	111,600	111,600
Provincial grants	56,601	56,543
Other grants	8,255	9,650
Other revenue	8,694	8,475
	672,946	661,343
Expenses		
Advertising	250	1,215
Amortization	47,106	51,128
Association dues	838	714
Computer	12,175	11,866
Insurance	3,154	3,776
Office supplies	16,267	16,289
Professional fees	3,104	4,489
Programming	6,462	1,853
Rent	111,600	111,600
Repairs and maintenance	19,598	20,249
Salaries and benefits	437,052	424,839
Telephone and internet	4,618	4,852
Travel	11,530	7,069
	673,754	659,939
Excess (deficiency) of revenue over expenses	(808)	1,404

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, 2019
(Unaudited)

	<i>Unrestricted</i>	<i>Invested in tangible capital assets</i>	2019	2018
Net assets, beginning of year	75,667	97,770	173,437	172,033
Excess (deficiency) of revenue over expenses	(808)	-	(808)	1,404
	74,859	97,770	172,629	173,437
Purchase of tangible capital assets	(57,386)	57,386	-	-
Amortization of tangible capital assets	47,106	(47,106)	-	-
Net assets, end of year	64,579	108,050	172,629	173,437

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, 2019

(Unaudited)

	2019	2018
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(808)	1,404
Amortization	47,106	51,128
	46,298	52,532
Changes in working capital accounts		
Accounts receivable	(1,794)	(7,584)
GST recoverable	1,352	383
Accounts payable and accruals	292	(7,804)
	46,148	37,527
Investing		
Purchase of tangible capital assets	(57,386)	(40,352)
Decrease in cash resources	(11,238)	(2,825)
Cash resources, beginning of year	30,760	33,585
Cash resources, end of year	19,522	30,760

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, 2019

(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.

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.

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
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.

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.

Kitimat Public Library Association

Notes to the Financial Statements

For the year ended December 31, 2019

(Unaudited)

2. Significant accounting policies (continued)

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.

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	2019 Net book value	2018 Net book value
Computer equipment	4,947	495	4,452	-
Furniture and fixtures	748	37	711	-
Library book collection	412,176	309,289	102,887	97,769
	417,871	309,821	108,050	97,769

Kitimat Public Library Association

Notes to the Financial Statements

For the year ended December 31, 2019

(Unaudited)

4. Subsequent event

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had 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. 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. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Association's business and financial condition.

5. 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.

6. Economic dependence

The Association is economically dependant on funding from the District of Kitimat to operate in which the Association received 89% (2018 - 89%) of its revenue.

7. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association
Fiscal Year Ended: December 31, 2019

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, 2019

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, 2019

Table 1 – Total Remuneration & Total Expenses

Board Members		
A. Graeme	\$0	\$125.00
A. Pozsgay	\$0	\$125.00
J. Borgens	\$0	\$0
L. Campbell	\$0	\$0
D. Denholm	\$0	\$0
D. Dessureault	\$0	\$0
K. Genzale	\$0	\$0
J. Sluyter	\$0	\$0
Total Board Members	\$0	\$250.00
Detailed Employees Exceeding \$75,000		
1) V. Charron	\$104,658.82	\$2,856.93
Total Detailed Employees Exceeding \$75,000	\$104,658.82	\$2,856.93
Total Employees Equal to or Less Than \$75,000	\$332,392.76	\$7,543.07
Consolidated Total* (Sum of column)	\$437,051.58	\$10,400.00

Table 2 – Total Employer Premium to Receiver General for Canada

Total Employer Premium for Canada Pension Plan and Employment Insurance	DO NOT USE	\$19,147.73
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Reconciliation of Remuneration and Expenses

Total Remuneration		\$ 437,051.58
Reconciling Items		\$ 0
Total Per Statement of Revenue and Expenditure		\$ 437,051.58
Variance*		\$ 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, 2019

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

Statement of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Kitimat Public Library Association

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

Fiscal Year Ended: December 31, 2019

1) United Library Services	\$ 31,480.70
2) District of Kitimat	\$ 111,600.00
	\$
Total (Suppliers with payments exceeding \$25,000)	\$ 143,080.70
Total (Suppliers where payments are \$25,000 or less)	\$ 77,995.45
Consolidated Total	\$ 221,076.15

Reconciliation of Goods and Services

Total of Suppliers with Payments Exceeding \$25,000		\$ 143,080.70
Consolidated Total of Supplier Payments of \$25,000 or Less		\$ 77,995.45
Reconciling Items		
	Item 1 Salaries and benefits	\$ 437,051.58
	Item 2 Amortization expense	\$ 47,106.41
	Item 3 Inventory	(31,480.70)
Total Per Statement of Revenue and Expenditure		673,753.44
Variance*		\$ 0

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