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Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association

Fiscal Year Ended: December 31, 2020

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Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association

Fiscal Year Ended: December 31 2020

Due Date: May 15th, 2021

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 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.
	<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 Sparwood Public Library Association	FISCAL YEAR END 2020
LIBRARY ADDRESS 110 Pine Avenue (P.O. Box 1060)	TELEPHONE NUMBER 250-425-2299.
CITY Sparwood	PROVINCE British Columbia
	POSTAL CODE V0B 2G0
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Norma Bayer	TELEPHONE NUMBER 778 - 518 - 1420
NAME OF THE LIBRARY DIRECTOR James Bertoia	TELEPHONE NUMBER 250-425-2299
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 15-05-2021


SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED 15-05-2021

Management Report

Financial Information Act - Statement of Financial Information

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

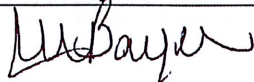
The Board of the Library is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

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
Chairperson of the Library
Board


Norma Bayer



Date
May 29 2021

Name,
Library Director]
Signature,
Library

James Bertoia



Date
May 29 2021

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Financial Statements

Year Ended December 31, 2020



PROFESSIONAL
S E R V I C E S

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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, 2020, 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, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Calgary, Alberta
May 14, 2021


ALBERT SNOOK PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Statement of Financial Position

December 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 95,798	\$ 87,239
Grants receivable	-	6,000
Goods and services tax recoverable	5,145	2,469
Prepaid expenses	7,377	7,206
	<u>108,320</u>	102,914
LONG TERM INVESTMENTS (Note 4)	59,072	32,985
PROPERTY AND EQUIPMENT (Note 5)	225,195	233,174
	<u>\$ 392,587</u>	<u>\$ 369,073</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 12,530	\$ 13,797
Wages payable	882	4,443
Employee deductions payable (Note 6)	1,086	2,242
	<u>14,498</u>	20,482
FUND BALANCES		
Operating fund	280,499	267,090
Capital assets reserve fund	97,590	81,501
	<u>378,089</u>	348,591
	<u>\$ 392,587</u>	<u>\$ 369,073</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

SPARWOOD PUBLIC LIBRARY ASSOCIATION
Statement of Operating Fund Revenues and Expenditures
Year Ended December 31, 2020

	2020	2019
REVENUES		
Grants-in-aid (<i>Note 7</i>)	\$ 258,572	\$ 254,201
Fines and services	4,744	9,987
Goods and services tax rebates	10,082	-
Fundraising	-	1,094
Donations	15,318	7,688
	<u>288,716</u>	<u>272,970</u>
EXPENSES		
Accounting fees	6,000	6,250
Advertising and promotion	1,883	2,343
Amortization	15,516	13,727
Bookkeeping	5,138	4,714
Books and recordings	41,612	40,918
GST paid	7,613	2,469
Insurance	5,597	7,004
Interest and bank charges	901	1,173
Janitorial services and supplies	17,931	16,830
Library services and supplies	6,884	5,332
Memberships	1,933	1,942
Office	15,968	19,096
Repairs and maintenance	7,485	7,435
Telephone	1,520	1,194
Training	308	1,688
Utilities	8,084	8,126
Wages and benefits	130,934	140,097
	<u>275,307</u>	<u>280,338</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	13,409	(7,368)
OTHER INCOME	<u>-</u>	<u>(11)</u>
DEFICIENCY OF REVENUES OVER EXPENSES BEFORE RESERVE FUND OPERATIONS	13,409	(7,379)
CAPITAL ASSETS RESERVE FUND OPERATIONS		
Excess of revenues over expenses	16,089	16,240
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 29,498</u>	<u>\$ 8,861</u>

See notes to financial statements

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2020

(Unaudited)

8. 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, 2020.

(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.

(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.

9. COMPARATIVE FIGURES

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

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Statement of Changes in Net Assets

Year Ended December 31, 2020

	Operating Fund	Capital Assets Reserve Fund	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 267,090	\$ 81,501	\$ 348,591	\$ 339,730
EXCESS OF REVENUES OVER EXPENSES	13,409	16,089	29,498	8,861
NET ASSETS - END OF YEAR	\$ 280,499	\$ 97,590	\$ 378,089	\$ 348,591

See notes to financial statements

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 29,498	\$ 8,861
Item not affecting cash:		
Amortization of property and equipment	15,516	13,727
	<u>45,014</u>	<u>22,588</u>
Changes in non-cash working capital:		
Grants receivable	6,000	-
Accounts payable	(1,267)	2,327
Prepaid expenses	(171)	1,360
Goods and services tax payable	(2,676)	2,654
Wages payable	(3,561)	51
Employee deductions payable	(1,156)	(484)
	<u>(2,831)</u>	<u>5,908</u>
Cash flow from operating activities	<u>42,183</u>	<u>28,496</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(7,537)	(4,045)
Long term Investments	(26,087)	(10,240)
Cash flow used by investing activities	<u>(33,624)</u>	<u>(14,285)</u>
INCREASE IN CASH FLOW	8,559	14,211
Cash - beginning of year	<u>87,239</u>	<u>73,028</u>
CASH - END OF YEAR	<u>\$ 95,798</u>	<u>\$ 87,239</u>

See notes to financial statements

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2020

(Unaudited)

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).

2. GOING CONCERN

The Covid-19 pandemic has developed rapidly in 2020 with a significant number of cases. Measures taken by the Canadian and Provincial Governments to contain the virus have affected economic and social activity across Canada. The Covid-19 pandemic and related health orders resulted in the business requiring to close for in person attendance for two months. However, the business was able to then offer the patrons curbside pick up and copying. As a result of this mitigation, no staff needed to be laid off but the business did not hire a summer student to do children's programming as in year's past. Once the business was allowed to re-open for in person attendance, the business installed the required Plexiglas barriers and purchased masks and special cleaning supplies to keep the patrons and staff members safe.

3. 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.

(continues)

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2020

(Unaudited)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

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
-

SPARWOOD PUBLIC LIBRARY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2020

(Unaudited)

4. LONG TERM INVESTMENTS

	2020	2019
Investors Canadian Money Market Fund B units, market value \$59,072 (2019 - \$32,985)	\$ 59,072	\$ 32,985

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Buildings	\$ 684,056	\$ 470,289	\$ 213,767	\$ 222,674
Furniture and equipment	100,963	98,132	2,831	3,539
Computer equipment	29,031	20,434	8,597	6,961
Computer software	17,765	17,765	-	-
	\$ 831,815	\$ 606,620	\$ 225,195	\$ 233,174

6. 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:

	2020	2019
Employee deductions payable	\$ 1,086	\$ 2,242

7. GRANTS-IN-AID

	2020	2019
District of Sparwood	\$ 201,227	\$ 197,596
Province of British Columbia	32,750	32,750
Regional District of East Kootenay	23,512	23,051
Other Grants	17,083	16,804
	\$ 274,572	\$ 270,201

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association

Fiscal Year Ended: 2020

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: 2020

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: 2020

	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
Board Members:		
1) Norma Bayer	\$0	\$0
2) Samantha Batten	\$0	\$0
3) Harold Baytaluke	\$0	\$0
4) Beverly Bellina	\$0	\$0
5) Connie Beranek	\$0	\$0
6) Lois Halko	\$0	\$0
7) Heather Johnson	\$0	\$0
Total Board Members:	\$0	\$0

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

Total Employees Equal to or Less than \$75,000	\$121,162.15	\$
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Consolidated Total *(Sum of Column)	\$121,162.15	\$
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Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment)	DO NOT USE	\$8,252.29
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Reconciliation of Remuneration and Expense

Total Remuneration		\$129,414.44
Reconciling Items:		
	WCB Expense	\$187.08
	Wage Benefits	\$1,332.00
Total per Statement of Revenue and Expenditure		\$130,933.52
Variance		\$0.00

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association

Fiscal Year Ended: 2020

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

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Sparwood Public Library Association

Fiscal Year Ended: 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: Sparwood Public Library Association

Fiscal Year Ended: 2020

	Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
1)		\$
2)		\$
	Total (Suppliers with payments exceeding \$25,000)	\$0
	Total (Suppliers where payments are \$25,000 or less)	\$115,244
	Consolidated Total	\$115,244

Reconciliation of Goods and Services

Total Suppliers with Payments Exceeding \$25,000		\$0
Consolidated Total of Supplier Payments of \$25,000 or Less		\$115,244
Reconciling Items:	Amortization	\$15,516
	Accounting accrual	\$6,000
	GST expense adjustment	\$7,613
	Wages, benefits, WCB	\$130,934
Total per Statement of Revenue and Expenditure		\$275,307
Variance		\$0.00

Reconciliation of Remuneration and Expense

Total Remuneration		\$121,162.15
Reconciling Items:		
	WCB Expense	\$187.08
	Wage Benefits	\$1,332.00
	Employer Premium	\$8,252.59
Total per Statement of Revenue and Expenditure		\$130,933.52
Variance		\$0.00