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Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

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Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31ST, 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 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:
	<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.

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.

Board Approval Form

Financial Information Act - Statement of Financial Information

NAME OF LIBRARY <i>TRAIL & DISTRICT PUBLIC LIBRARY</i>	FISCAL YEAR END (YYYY) 2020
LIBRARY ADDRESS 1505 BAY AVE	TELEPHONE NUMBER 250-364-0821
CITY TRAIL	PROVINCE BC
	POSTAL CODE V1R 4B2
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD JJEFF JONES	TELEPHONE NUMBER 250551-5271
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 DECEMBER 31, 2020 for TRAIL & DISTRICT 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)

16-06-2021

SIGNATURE OF THE LIBRARY DIRECTOR



DATE SIGNED (DD-MM-YYYY)

16-06-2021

Management Report

Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

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

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

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 Trail & District Public Library

Name. Chairperson of the
Library Board [Print]

JOSE JONES

Signature,
Chairperson of the Library
Board

[Signature]

Date
(06-16-2021)

Name,
Library Director [Print]

Samantha Murphy

Signature,
Library Director

[Signature]

Date
(06-16-2021)



Financial Statements

Trail and District Public Library

December 31, 2020

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Management Responsibility Statement

The management of Trail and District Public Library is responsible for preparing the Trail and District Public Library financial statements, the notes to the Trail and District Public Library financial statements and other financial information contained in this annual report.

Management prepares the Trail and District Public Library financial statements in accordance with Canadian generally accepted accounting principles. The Trail and District Public Library financial statements are considered by management to present fairly the management's financial position and results of operations.

The Library, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the Trail and District Public Library financial statements.

The Trail and District Public Library financial statements have been reported on by Grant Thornton LLP, Chartered Professional Accountants, the shareholders' auditors. Their report outlines the scope of their examination and their opinion on the Trail and District Public Library financial statements.

Library Director
June 16, 2021

Independent Auditor's Report

Grant Thornton LLP
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Trail, BC
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F +1 250 368 8488
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, which comprise the statement of financial position as at December 31, 2020, and the statements of income and retained earnings 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, 2020, 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, 2021

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

2020

2019

Financial Assets

Cash	\$ 395,682	\$ 413,054
Accounts receivable (Note 3)	<u>8,764</u>	<u>9,634</u>
	<u>404,446</u>	<u>422,688</u>

Liabilities

Accounts payable and accrued liabilities (Note 4)	22,187	68,655
Unearned revenue (Note 5)	102,975	138,413
Due to the City of Trail (Note 6)	<u>137,219</u>	<u>90,070</u>
	<u>262,381</u>	<u>297,138</u>

Net financial assets	\$ 142,065	\$ 125,550
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Non-financial assets

Prepaid expenses	<u>392</u>	<u>-</u>
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Accumulated surplus	<u>\$ 142,457</u>	<u>\$ 125,550</u>
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On behalf of the Board of Directors

_____ Director

Trail and District Public Library

Statement of Income and Retained Earnings

Year ended December 31	2020 Budget	2020 Actual	2019 Actual
Revenue			
City of Trail operating grant	\$ 426,971	\$ 426,971	\$ 520,390
Village of Warfield contributions	40,800	40,960	40,000
Other grants (Note 7)	36,554	54,090	39,702
Donations	1,000	19,499	17,074
Rental	500	402	2,632
Fines and fees	3,000	3,231	9,874
Interest	1,000	1,389	1,822
Government grants (Note 7)	57,046	57,046	57,046
	<u>566,871</u>	<u>603,588</u>	<u>688,540</u>
Expenditures			
Accounting and internet	11,050	9,947	8,800
Advertising and programs	30,656	11,972	13,108
Audio and visual	-	680	861
Books and educational materials	62,300	62,159	79,633
Computer expense	-	223	610
Fixtures and equipment	-	10,659	18,989
Association dues	1,040	897	936
Periodicals and newspapers	15,100	15,219	14,754
Rent and insurance	3,000	3,000	3,000
Salaries and related benefits	418,925	407,760	457,211
Supplies and postage	15,400	11,816	9,412
Technology planning and maintenance	-	44,296	27,893
Training and development	9,400	8,053	18,603
	<u>566,871</u>	<u>586,681</u>	<u>653,810</u>
Annual surplus	-	16,907	34,730
Retained earnings, beginning of year	<u>125,550</u>	<u>125,550</u>	<u>90,820</u>
Retained earnings, end of year	<u>\$ 125,550</u>	<u>\$ 142,457</u>	<u>\$ 125,550</u>

Trail and District Public Library

Statement of Cash Flows

Year ended December 31	2020	2019
Operating		
Cash receipts from funders	\$ 567,631	\$ 725,704
Cash paid to suppliers	(218,527)	(203,810)
Cash paid to employees	(415,014)	(427,236)
Interest received	<u>1,389</u>	<u>1,822</u>
	(64,521)	96,480
Financing		
City of Trail - advances	<u>47,149</u>	<u>48,068</u>
(Decrease) increase in cash	(17,372)	144,548
Cash		
Beginning of year	<u>413,054</u>	<u>268,506</u>
End of year	<u>\$ 395,682</u>	<u>\$ 413,054</u>

Trail and District Public Library

Notes to the Financial Statements

December 31, 2020

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.

COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, Libraries were forced to cease or limit operations for long periods of time. Measures were taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have resulted in economic slowdown. The central banks of the world as well as national and regional governments have responded with monetary and fiscal interventions to stabilize economic conditions.

The Library services were not significantly negatively impacted as a result of the pandemic. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time.

2. Basis of accounting and summary of significant accounting policies

The Library was established in 1956 by the City of Trail by-law #1308. These financial statements are prepared in accordance with Canadian public sector accounting standards. The significant accounting policies are detailed as follows:

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.

Trail and District Public Library

Notes to the Financial Statements

December 31, 2020

2. Basis of accounting and summary of significant accounting policies (continued)

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.

3. Accounts receivable

	<u>2020</u>	<u>2019</u>
Goods and Services Tax receivable	\$ 7,136	\$ 7,935
Other accounts receivable	<u>1,628</u>	<u>1,699</u>
	<u>\$ 8,764</u>	<u>\$ 9,634</u>

4. Accounts payable and accrued liabilities

	<u>2020</u>	<u>2019</u>
Wages and benefits accrual	\$ 14,826	\$ 26,537
Vacation accrual	5,942	1,485
Trade payables	<u>1,419</u>	<u>40,633</u>
	<u>\$ 22,187</u>	<u>\$ 68,655</u>

Trail and District Public Library

Notes to the Financial Statements

December 31, 2020

5. Unearned revenue

	Balance, beginning of year	Received	Recognized	Transfer	Balance, end of year
New Library donations	\$ 82,601	\$ -	\$ (40,867)	\$ -	\$ 41,734
Community technology grant	14,812	-	(9,171)	-	5,641
New Library donations - computer	41,000	-	-	-	41,000
Employment grant	-	15,402	(8,802)	-	6,600
Re-branding and book bike	-	21,800	(13,800)	-	8,000
	<u>\$ 138,413</u>	<u>\$ 37,202</u>	<u>\$ (72,640)</u>	<u>\$ -</u>	<u>\$ 102,975</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, 2020.

Trail and District Public Library

Notes to the Financial Statements

December 31, 2020

7. Grants

Provincial grants

	<u>2020</u>	<u>2019</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>4,325</u>
	<u>\$ 57,046</u>	<u>\$ 57,046</u>

Other grants

	<u>2020</u>	<u>2019</u>
Community technology	\$ 31,488	\$ 24,702
Specified	13,800	8,409
Employment	<u>8,802</u>	<u>6,591</u>
	<u>\$ 54,090</u>	<u>\$ 39,702</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, 2020

9. Pension plan

The 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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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.

The Library paid \$18,645 (2019 - \$19,574) for employer contributions to the plan in fiscal 2020.

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

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, 2020

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, 2020

Table 1 – Total Remuneration & Total Expenses

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

Detailed Employees Exceeding \$75,000		
1)	\$	\$
2)	\$	\$
3)	\$	\$
Total Detailed Employees Exceeding \$75,000	\$0	\$0

Total Employees Equal to or Less Than \$75,000	\$387,347	\$0
Consolidated Total* (Sum of column)	\$387347	\$0

Table 2 – Total Employer Premium to Receiver General for Canada

Total Employer Premium for Canada Pension Plan and Employment Insurance	DO NOT USE	\$20,413
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* 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		\$387,347
Reconciling Items		
	Item 1EMPLOYER PREMIUMS	\$20,413
	Item 2	\$ 0
	Item 3	\$ 0
	Item 4	\$ 0
Total Per Statement of Revenue and Expenditure		\$407,760
Variance*		\$ 0

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

There were no severance agreements made between TRAIL & DISTRICT PUBLIC 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: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

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

Schedule of Payments Made For the Provision of Goods and Services

Financial Information Act - Statement of Financial Information

Library Name: TRAIL & DISTRICT PUBLIC LIBRARY

Fiscal Year Ended: DECEMBER 31, 2020

Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
1) UNITED LIBRARY	\$40,942.04
2) RECIEVER GENERAL	\$80,823.68
3)	\$
Total (Suppliers with payments exceeding \$25,000)	\$121,765.72
Total (Suppliers where payments are \$25,000 or less)	\$116,724.81
Consolidated Total	\$ 238,490.53

Reconciliation of Goods and Services

Total of Suppliers with Payments Exceeding \$25,000		\$121,765.72
Consolidated Total of Supplier Payments of \$25,000 or Less		\$116,724.81
Reconciling Items		
	SALARIES WAGES AND BENEFITS	\$348,190.47
	Item 2	\$ 0
	Item 3	\$ 0
	Item 4	\$ 0
Total Per Statement of Revenue and Expenditure		\$ 586,681
Variance*		\$ 0