

TABLE OF CONTENTS

Financial Information Act - Statement of Financial Information

Library Name: InterLINK Federated Public Library System
Fiscal Year Ended: December 31, 2022

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: InterLINK Federated Public Library System

Fiscal Year Ended: December 31, 2022

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)
Schedule of debts (audited ¹ financial statements) If there is no debt, or if the		
e)	<input checked="" type="checkbox"/>	information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
Schedule of guarantee and indemnity agreements including the names of the entities		
f)	<input checked="" type="checkbox"/>	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

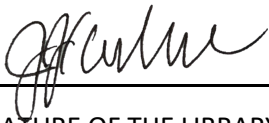
NAME OF LIBRARY InterLINK Federated Public Library System	FISCAL YEAR END (YYYY) 2022
LIBRARY ADDRESS #158-5489 Byrne Rd	TELEPHONE NUMBER 604-437-8441
CITY Burnaby	PROVINCE BC
	POSTAL CODE V5J 3J1
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Josie Chuback	TELEPHONE NUMBER 604-723-7131
NAME OF THE LIBRARY DIRECTOR Michael Burris	TELEPHONE NUMBER 604-437-8441

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 2022 for InterLINK Federated Public Library System as required under Section 2 of the Financial Information Act.

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD*

DATE SIGNED (DD-MM-YYYY)



15-05-2023

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)



15-05-2023

Management Report

Financial Information Act - Statement of Financial Information

Library Name: InterLINK Federated Public Library System
Fiscal Year Ended: December 31, 2022

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.

On behalf of InterLINK Federated Public Library System

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

Josie Chuback

**Signature,
Chairperson of the Library
Board**



**Date
(MM-DD-YYYY)**

05-15-2023

**Name,
Library Director [Print]**

Michael Burriss

**Signature,
Library Director**



**Date
(MM-DD-YYYY)**

05-15-2023

InterLINK Federated Public Library System
Financial Statements
For the year ended December 31, 2022

InterLINK Federated Public Library System Contents

For the year ended December 31, 2022

	<i>Page</i>
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements	5

To the Members of InterLINK Federated Public Library System:

Opinion

We have audited the financial statements of InterLINK Federated Public Library System, which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the InterLINK Federated Public Library System as at December 31, 2022, 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.

Basis for Opinion

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 InterLINK Federated Public Library System 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 opinion.

Other Matter

The financial statement for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on May 31, 2022.

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 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.

In preparing the financial statements, management is responsible for assessing the InterLINK Federated Public Library System'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 InterLINK Federated Public Library System or to cease operations, or has no realistic alternative but to do so.

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

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 InterLINK Federated Public Library System'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 InterLINK Federated Public Library System'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 InterLINK Federated Public Library System 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.

Surrey, British Columbia

April 7, 2023

MNP LLP

Chartered Professional Accountants

InterLINK Federated Public Library System

Statement of Financial Position

As at December 31, 2022

	2022	2021
Assets		
Current		
Cash	205,138	133,635
Term deposits (Note 3)	1,005,671	701,936
Accounts receivable (Note 4)	85,020	24,659
Prepaid expenses and deposits	15,423	21,343
Due from member libraries (Note 5) (Note 13)	55,376	51,634
	1,366,628	933,207
Capital assets (Note 6)	7,350	26,474
	1,373,978	959,681
Liabilities		
Current		
Accounts payable and accruals (Note 7)	79,503	100,162
Deferred revenue (Note 8)	285,737	99,164
Due to member libraries (Note 5) (Note 13)	276,875	258,169
	642,115	457,495
Deferred revenue (Note 8)	282,027	6,597
	924,142	464,092
Commitments (Note 9)		
Contingencies (Note 10)		
Net Assets		
Unrestricted	870	27,498
Internally restricted (Note 11)	441,617	441,617
Invested in capital assets	7,349	26,474
	449,836	495,589
	1,373,978	959,681

Approved on behalf of the Board

e-Signed by Josie Chuback
 2023-04-06 08:21:57:57 PDT

Director

e-Signed by Koichi Ron Shimoda
 2023-04-05 22:14:00:00 PDT

Director

The accompanying notes are an integral part of these financial statements

InterLINK Federated Public Library System

Statement of Operations

For the year ended December 31, 2022

	2022	2021
Revenue		
Grant revenue <i>(Note 12)</i>	1,251,385	1,115,745
Membership levies	371,323	371,325
LLEAD	96,774	51,717
Circulation fees <i>(Note 13)</i>	55,376	36,564
Other revenue	18,262	18,510
	1,793,120	1,593,861
Expenses		
Amortization	19,125	17,879
Audiobook	112,977	104,952
Board and committee	6,641	3,949
Courier and delivery	82,966	71,670
Insurance	6,392	5,780
Leadership development	96,774	51,717
New to BC - Federal	596,065	513,378
Non-resident borrowing costs <i>(Note 13)</i>	310,211	309,765
Office and miscellaneous	35,113	33,681
Professional fees	26,910	8,723
Rent	32,418	27,178
Resource sharing	22,075	20,585
Salaries, contractors and benefits	423,176	438,052
Vehicle	14,372	15,838
Workshops	43,640	48,103
Youth services program	24,227	21,626
	1,853,082	1,692,876
Deficiency of revenue over expenses before other items	(59,962)	(99,015)
Other items		
Interest income	14,209	3,305
Deficiency of revenue over expenses	(45,753)	(95,710)

The accompanying notes are an integral part of these financial statements

InterLINK Federated Public Library System
Statement of Changes in Net Assets

For the year ended December 31, 2022

	<i>Unrestricted</i>	<i>Internally restricted</i>	<i>Invested in capital assets</i>	2022	<i>2021</i>
Net assets beginning of year	27,498	441,617	26,474	495,589	591,299
Deficiency of revenue over expenses	(26,628)	-	(19,125)	(45,753)	(95,710)
Net assets, end of year	870	441,617	7,349	449,836	495,589

The accompanying notes are an integral part of these financial statements

InterLINK Federated Public Library System

Statement of Cash Flows

For the year ended December 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating		
Deficiency of revenue over expenses	(45,753)	(95,710)
Amortization	19,125	17,879
Accrued interest revenue	(9,414)	2,912
	(36,042)	(74,919)
Changes in working capital accounts		
Accounts receivable	(60,361)	34,941
Prepaid expenses and deposits	5,919	7,550
Accounts payable and accruals	(20,659)	36,714
Deferred revenue	462,003	78,489
	350,860	82,775
Financing		
Advances from member libraries	18,707	60,281
Investing		
Proceeds from maturities of term deposits	701,936	600,000
Purchases of term deposits	(1,000,000)	(700,000)
	(298,064)	(100,000)
Increase in cash resources	71,503	43,056
Cash resources, beginning of year	133,635	90,579
Cash resources, end of year	205,138	133,635

The accompanying notes are an integral part of these financial statements

InterLINK Federated Public Library System

Notes to the Financial Statements

For the year ended December 31, 2022

1. Incorporation and nature of the organization

InterLINK Federated Public Library System (the "Organization"), a not-for-profit organization, incorporated under the authority of provisions of the Library Act of British Columbia on April 1, 1994 and is a registered charity and thus is exempt from federal and provincial income taxes under the Income Tax Act ("the Act"). In order to maintain its status as a registered not-for-profit charitable organization under the Act, the Society must meet certain requirements within the Act. In the opinion of management these requirements have been met.

Organization's primary purpose is to serve member libraries through the provision of open access to library services and the development and implementation of collaborative service efficiencies and enhancements.

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. Term deposits maturing more than three months but less than twelve months from the date of the balance sheet are disclosed separately.

Capital assets

Purchased capital assets are recorded at cost. Contributed 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
Automotive	5 years
Computer equipment	5 years
Furniture and fixtures	10 years

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Organization's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Organization determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Revenue recognition

The Organization follows the deferral method of accounting for grants/contributions. Restricted grants/contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants/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.

Membership levies which are assessed annually for each fiscal year are recognized as revenue when they are received. Administration fees for the New to B.C. Project and circulation fees are recognized when the service is rendered. Interest revenue is recognized on a time proportion basis.

Contributed materials and services

Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Organization records the fair value of contributed materials at the time of receipt, where such fair value is determinable, and the materials would otherwise have been purchased.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year. All 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 deficiency of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

The Organization measures all related party financial instruments at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received (refer to Note 12).

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in deficiency of revenue over expenses.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year deficiency of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in deficiency of revenue over expenses in the year the reversal occurs.

InterLINK Federated Public Library System
Notes to the Financial Statements
For the year ended December 31, 2022

2. Significant accounting policies *(Continued from previous page)*

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 significant. 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. Term deposits

The Organization's term deposits earn annual interest of 3%, and mature in October 2023.

4. Accounts receivable

	2022	2021
Trade and other receivables	60,331	2,916
Government agencies recoverable	24,689	21,743
	85,020	24,659

5. Due to/from member libraries

Balances to/from member libraries of the Organization bear no interest and will be settled within the next year.

6. Capital assets

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Automotive	86,791	79,441	7,350	26,038
Computer equipment	59,666	59,666	-	436
Furniture and fixtures	18,399	18,399	-	-
Leasehold improvements	56,060	56,060	-	-
	220,916	213,566	7,350	26,474

7. Accounts payable and accruals

	2022	2021
Trade and other payables	60,660	73,428
Government agencies payable	6,066	2,461
Salaries and wages payable	12,777	24,273
	79,503	100,162

InterLINK Federated Public Library System
Notes to the Financial Statements
For the year ended December 31, 2022

8. Deferred revenue

Deferred revenue consists of Provincial grants, membership fees, as well as workshop fees paid in advance of services being rendered. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

	2022	2021
Balance, beginning of year	105,761	27,272
Amount received during the year	1,210,763	99,164
Less: Amounts recognized as revenue during the year	(748,760)	(20,675)
	567,764	105,761
Less: current portion	285,737	99,164
Balance, end of year	282,027	6,597
	2022	2021
Immigration, Refugees and Citizenship Canada, New to B.C. Project	22,367	-
Province of British Columbia, LLEAD grant	-	6,597
Province of British Columbia, operating grant (Covid Relief and Recovery Funding)	423,694	-
Registrations and sponsorships, LLEAD	121,703	97,564
Other restricted projects	-	1,600
	567,764	105,761

9. Commitments

The Organization has a long-term operating lease with respect to its premises. Under the lease, Organization is required to pay a base rent plus certain operating expenses incurred by the lessor of Organization's premises and contains a renewal option for a further term of five years.

The estimated minimum annual payments as follows:

2023	24,551
2024	25,305
2025	26,059
2026	26,812
2027	11,303
	114,030

InterLINK Federated Public Library System
Notes to the Financial Statements
For the year ended December 31, 2022

10. Contingencies

Certain employees accumulate sick leave entitlement on a monthly basis, but they can only use this entitlement for paid time off under certain circumstances. No provision has been recorded relating to any potential future obligations to the employees as the related cost, if any, is not determinable.

11. Net assets internally restricted

The breakdown of the internally restricted net asset amounts allocated by the board of directors is as follows:

	2022	2021
Capital assets reserve	50,881	43,881
Transfer from unrestricted net assets to restricted net assets	-	7,000
	50,881	50,881
<hr/>		
Operating reserve	125,000	125,000
<hr/>		
Project reserve	165,807	59,000
Transfer from unrestricted net assets to restricted net assets	-	106,807
	165,807	165,807
<hr/>		
Compensation reserve	99,929	-
Transfer from unrestricted net assets to restricted net assets	-	99,929
	99,929	99,929
<hr/>		
	441,617	441,617

The internally restricted amounts are not available for other purposes without approval of the board of directors.

12. Grant revenue

	2022	2021
Immigration, Refugees and Citizenship Canada, New to B.C. grant	642,482	514,745
Province of British Columbia, operating grant	602,306	601,000
Province of British Columbia, LLEAD grant	6,597	-
	1,251,385	1,115,745

InterLINK Federated Public Library System
Notes to the Financial Statements
For the year ended December 31, 2022

13. Circulation fees and non-resident borrowing costs

The Organization charges fees from and pays fees to net service provider libraries based on their provision of circulation and reference services to non-residents of their service areas. \$276,875 (2021 - \$258,169) of this amount is included in advances from member libraries at December 31, 2022, representing the budgeted amount of operating revenue received in 2022 to be allocated to member libraries. The remaining \$55,376 (2021 - \$51,634) will be charged in 2023 from contributions from net service borrowing libraries.

The Organization paid \$33,333 (2021 - \$66,667) to the regional resource provider which was funded by levies to members in 2022. The Organization is no longer committed to additional funding to the regional resource provider in 2023.

	2022	2021
Payments made to member libraries	258,171	182,818
Payment made to regional service provider	33,333	66,667
<hr/>		
Total payments to member libraries	291,504	249,485
Increase in accrued advance to member libraries	18,707	60,281
<hr/>		
Total expenditure to member libraries and regional service provider	310,211	309,766

14. Employee pensions

The Organization 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 are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 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 actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Organization paid \$29,803 (2021 - \$36,333) for employer contributions to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

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.

15. Economic dependence

The Organization's primary source of revenue government grants. The grant funding can be cancelled if the Organization does not observe certain established guidelines. The Organization's ability to continue viable operations is dependent upon maintaining its compliance with the criteria within government guidelines. As at the date of these financial statements the Organization believes that it is in compliance with the guidelines.

InterLINK Federated Public Library System
Notes to the Financial Statements
For the year ended December 31, 2022

16. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable. To mitigate this risk, the Organization carries out credit evaluations of its customers on a continuing basis. As at December 31, 2022, one customer accounted for 37.08% (2021 – two customers, 61.85%) of accounts receivable. The Company performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Association is exposed to interest rate risk on its interest-bearing assets.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. Its financial liabilities consist of accounts payable and accrued liabilities, and payable to member libraries. The Organization's exposure to liquidity risk is dependent on the collection of accounts and notes receivable, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

17. 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: InterLINK Federated Public Library System

Fiscal Year Ended: December 31, 2022

The InterLINK Federated Public Library System has no long term debt.

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: InterLINK Federated Public Library System
Fiscal Year Ended: December 31, 2022

InterLINK Federated Public Library System has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Schedule 8 - Remuneration and Expenses

Financial Information Act - Statement of Financial Information

Library Name InterLINK Federated Public Library System

Fiscal Year Ended December 31, 2022

Board Members ¹	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
Josie CHUBACK, Board Chair	n/a	\$0.00
Iris Cheng, Board Member	n/a	\$98.15
Total Board Members	\$0.00	\$98.15

Detailed Employees Exceeding \$75,000 ¹	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
Michael BURRIS	\$142,633.40	\$299.08
Allie DOUGLAS	\$78,960.48	\$0.00
Total Employees Exceeding \$75,000	\$221,593.88	\$299.08

Total Employees Equal to or Less Than \$75,000	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
DO NOT USE	\$142,220.72	\$150.00

Consolidated Total ²	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
DO NOT USE	\$363,814.60	\$547.23

Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment) ³	DO NOT USE	\$19,812.81
--------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------	-------------

Reconciliation of Remuneration and Expenses

Total Remuneration	Amount
DO NOT USE	\$363,814.60

Reconciling Items ¹	Amount
Payroll Exp - Employer prem. CPP/EI (see above)	\$19,812.81
Worksafe BC	\$814.33
Extended Health Benefits - employer share only	\$13,967.40
Municipal Pension Plan - Employer share only	\$32,197.00
Prof. Devt (Benefit, part of employee reimb. above)	\$357.00
Auditor adjustments - P/R expenses	-\$1,904.17
Auditor Adj. - Decrease To Salaries Payable	-\$5,882.97
Total Reconciling Items	\$59,361.40

Total Per Statement of Revenue & Expenditure ⁴	Amount
DO NOT USE	\$423,176.00

Variance ⁵	Amount
DO NOT USE	\$0.00

¹ Insert additional rows as necessary.

² Total Remuneration and Total Expenses columns MUST REMAIN SEPARATE throughout the form.

³ If this amount exceeds \$25,000, ensure it is reported accordingly on Schedule 11.

⁴ Financial Statements (#05) Total for salary and benefits per Statement of Revenue and Expenditure.

⁵ A Reconciliation to the financial statements is required, and any variance must be explained.

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: InterLINK Federated Public Library System

Fiscal Year Ended: December 31, 2022

There were no severance agreements made between **InterLINK Federated Public Library System** and its non-unionized employees during fiscal year 2022.

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: InterLINK Federated Public Library System

Fiscal Year Ended: December 31, 2022

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

Schedule 11 - Provision of Goods and Services
Financial Information Act - Statement of Financial Information

Library Name InterLINK Federated Public Library System

Fiscal Year Ended December 31, 2022

Name of Individual, Firm or Corporation ^{1,2}	Total Amount Paid During Fiscal Year
1) R & M BARICHELLO	\$33,208.00
2) Canpar Transport	\$75,468.00
3) Reena DIDI-BANSAL	\$81,733.00
4) Ben HART	\$74,740.00
5) Loon Lake Camp	\$34,788.00
6) Nina MILLER	\$84,395.00
7) Municipal Pension Plan (Employer Share)	\$32,197.00
8) Peers Employment & Education	\$246,134.00
9) PLN Focus	\$86,301.00
10) Ulverscroft	\$59,884.00
11) Branka VLASIC	\$83,389.00
Totals	Amount
Total (Suppliers with payments exceeding \$25,000	\$892,237.00
Total (Suppliers where payments are \$25,000 or less)	\$240,530.00
Consolidated Total	\$1,132,767.00
Reconciliation of Goods and Services	Amount
Total of Aggregate Payments Exceeding \$25,000 Paid to Suppliers	\$892,237.00
Consolidated Total of Supplier Payments of \$25,000 or Less	\$240,530.00
Reconciling Items ¹	Amount
Salaries and Benefits (less MPP, # 7 above)	\$390,979.00
Amortization	\$19,125.00
Transfers to Member Libraries "Non-resident borrowing costs"	\$310,211.00
Total Reconciling Items	\$720,315.00
Reconciliation	Amount
Total Per Statement of Revenue and Expenditure ³	\$1,853,082.00
Variance ⁴	\$0.00

¹ Insert additional rows as necessary

² Ensure to include the Receiver General (CPP and EI) if the amount exceeds \$25,000

³ Financial Statements (#05) Total per Statement of Revenue and Expenditure

⁴ A Reconciliation to the financial statements is required, and any variance must be explained.