

**LACOMBE PUBLIC LIBRARY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**  
**(Unaudited)**

LACOMBE PUBLIC LIBRARY  
FINANCIAL STATEMENTS  
DECEMBER 31, 2015 (Unaudited)

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To the Shareholders  
Lacombe Public Library

We have reviewed the balance sheet of Lacombe Public Library as at December 31, 2015 and the Statement of Financial Activities and Statement of Change in Financial Position for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the library.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

**LACOMBE PUBLIC LIBRARY  
BALANCE SHEET  
DECEMBER 31, 2015 (Unaudited)**

	2015	2014
<b>ASSETS</b>		
Cash	\$ 82,981	\$ 119,744
Accounts receivable		
Parkland Regional Library Allotment	3,325	-
Other accounts receivable	8,178	3,853
Prepaid Expenses	4,770	2,380
	<u>99,254</u>	<u>125,977</u>
Equipment, at Cost	173,360	130,940
	<u>272,614</u>	<u>256,917</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accrued AP & Liabilities		
Trade Accounts Payable	43,973	43,297
Deferred Revenue	3,325	-
	<u>47,298</u>	<u>43,297</u>
Unrestricted Assets	51,956	82,680
Equity in Fixed Assets	173,360	130,940
	<u>225,316</u>	<u>213,620</u>
	<u>\$ 272,614</u>	<u>\$ 256,917</u>

Approved on Behalf of the Board

\_\_\_\_\_ Chairman

\_\_\_\_\_ Treasurer

The accompanying notes are an integral part of these financial statements.

**LACOMBE PUBLIC LIBRARY  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

	Budget	2015	2014
<b>REVENUE</b>			
Recreation & Culture			
Alberta Cultural Grant	\$ 63,945	\$ 70,640	\$ 63,945
Parkland Regional Library	25,025	18,413	23,705
City of Lacombe	249,528	249,528	238,215
City of Lacombe - In Kind	245,000	262,983	254,565
Other Provincial	-	-	-
Book Bag Sales	4,000	2,513	6,089
Donations and Gifts in Kind	4,000	8,476	11,929
Fines	10,000	6,776	9,998
Interest	500	2,136	1,453
Memberships	20,500	19,818	23,269
Other	2,500	1,646	2,210
Photocopies, printing and faxes	8,000	5,811	9,271
Proctor Fees	3,500	2,478	5,279
Parkland Regional Library Allotment	22,236	22,416	22,236
Program Registrations	3,300	1,521	3,515
	<b>662,034</b>	<b>675,155</b>	<b>675,679</b>
<b>OPERATING EXPENSES</b>			
Advertising	3,000	2,522	3,643
Accounting	10,000	11,300	11,405
Board Expenses	4,500	6,544	4,660
Books	25,025	18,413	23,743
Building Lease - In Kind	245,000	262,983	254,565
Donated Materials - In-Kind	4,000	534	-
Fines	1,500	876	1,600
Furnishings	-	-	-
Interest and Bank Charges	1,200	2,359	1,458
Membership fees	1,000	400	563
Office Expenses	28,000	28,335	24,749
Professional Development	2,000	2,904	1,105
Program and Internet Expenses	18,100	12,019	16,442
Subscriptions	14,000	18,320	18,068
Telephone	7,182	8,416	8,725
Travel	3,500	2,078	3,113
Wages & Benefits	294,027	285,454	291,401
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	2,865
	<b>662,034</b>	<b>663,457</b>	<b>668,105</b>
EXCESS OF REVENUES OVER EXPENSES	\$ -	\$ 11,698	\$ 7,574

The accompanying notes are an integral part of these financial statements.

**LACOMBE PUBLIC LIBRARY  
STATEMENT OF EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

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	Unrestricted	Invested in Physical Assets	<b>Total</b>	2014
<b>BALANCE - BEGINNING OF YEAR</b>	\$ 82,678	\$ 130,939	\$ 213,616	\$ 206,042
Purchases of Capital Assets	(42,420)	42,420	-	-
Excess of Revenues over Expenses	11,698	-	11,698	7,574
<b>BALANCE - END OF YEAR</b>	<b>\$ 51,956</b>	<b>\$ 173,360</b>	<b>\$ 225,316</b>	<b>\$ 213,616</b>

The accompanying notes are an integral part of these financial statements.

**LACOMBE PUBLIC LIBRARY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

	<b>2015</b>	<b>2014</b>
<b>OPERATING ACTIVITIES</b>		
Net income (loss) for the period	<b>11,698</b>	7,573
Non-cash items included in excess of revenues over expenses:		
Loss (Gain) on Disposal of Tangible Capital Assets	-	2,865
Accounts receivable	<b>(7,650)</b>	14,956
Prepaid Expenses	<b>(2,390)</b>	1,330
Net changes in non-cash working capital balances:		
Accrued AP & Liabilities	<b>675</b>	(39,847)
Deferred Revenue	<b>3,325</b>	(864)
	<b>5,658</b>	(13,987)
<b>INVESTING ACTIVITIES</b>		
Purchase of Physical Assets	<b>(42,420)</b>	(4,785)
<b>FINANCING ACTIVITIES</b>		
<b>CAPITAL ACTIVITIES:</b>		
<b>CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	<b>(36,762)</b>	(18,772)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>119,743</b>	138,516
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>82,981</b>	119,744

The accompanying notes are an integral part of these financial statements.

**LACOMBE PUBLIC LIBRARY**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2015 (Unaudited)**

**1. Significant Accounting Policies**

The financial statements of the NPO are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for not-for-profit organizations as established by the Public Sector Accounting Board.

**a. Reporting Entity**

The Lacombe Public Library is currently operating as Mary C. Moore Library. The Library was established by the City of Lacombe Bylaw #53 and are governed under the authority of the Libraries Act. The Library is registered with Canada Revenue Agency as a charitable organization for the purpose of providing library services.

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**b. Budget Amounts**

The budget amounts presented on the statement of financial activities are taken from the Lacombe Public Library's annual budget.

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**c. Basis of Accounting**

The financial statements have been prepared using Canadian public sector accounting standards for not-for-profit organizations.

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**d. Revenue Recognition**

Service fees and sales of goods are recognized as revenue in the period in which the service is delivered or in which the transactions or events occurred that gave rise to the revenue. The Library 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, can be reasonably estimated, and collection reasonably assured.

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**e. Use of Estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenditure during the period. Actual results could differ from those estimates.

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**LACOMBE PUBLIC LIBRARY**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2015 (Unaudited)**

**1. Significant Accounting Policies continued**

**f. Tangible Capital Assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of the contribution. Capital assets are not amortized. Purchase of books is recorded as an expense and disclosed in the statement of operations.

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**g. Contributed Materials**

Contributed materials which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

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**h. Capital Disclosures**

The organization considers its capital to be its restricted and unrestricted net assets. Its restricted net assets consist of amounts for future expansion and amounts invested in capital assets. The organization's objectives when managing its capital are to safeguard its ability to continue as a going concern so it can provide services to its clients and to allow for future expansion. Annual budgets are developed and monitored to ensure the organization's capital is maintained at an appropriate level.

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**i. Financial Instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealised gains and losses reported in the statement of remeasurement gains and losses. All other financial instruments are reported at cost or amortized less impairment if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transactions costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

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**2. CASH AND TEMPORARY INVESTMENTS**

	<b>Note</b>	<b>2015</b>	<b>2014</b>
Cash	\$	400	\$ 400
Current Bank Account		<b>82,581</b>	119,344
	\$	<b>82,981</b>	<b>\$ 119,744</b>

**LACOMBE PUBLIC LIBRARY**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2015 (Unaudited)**

**3. DUE TO CITY OF LACOMBE**

Trade Payables included \$24,488 (2014 - \$26,006) of amounts payable to the City of Lacombe

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**4. ECONOMIC DEPENDENCE**

The Lacombe Public Library's operations depend on receiving funding from grants from various agencies and governments. These grants are provided both in cash and in kind.

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**5. APPROVAL OF FINANCIAL STATEMENTS**

Board and management have approved these financial statements.

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