

LACOMBE PUBLIC LIBRARY

FINANCIAL STATEMENTS

DECEMBER 31, 2016

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	Page
Auditors Report	1
Balance Sheet	2
Statement of Financial Activities	3
Statement of Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6

To the Shareholders
Lacombe Public Library

We have reviewed the balance sheet of Lacombe Public Library as at December 31, 2016 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, 2016**

	2016	2015
ASSETS		
Cash	\$ 89,982	\$ 82,981
Accounts receivable		
Parkland Regional Library Allotment	1,087	3,325
Other accounts receivable	2,479	8,178
Prepaid Expenses	3,954	4,770
	97,502	99,254
Equipment, at Cost	186,974	173,360
	284,476	272,614
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accrued AP & Liabilities		
Trade Accounts Payable	50,159	43,973
Deferred Revenue	1,087	3,325
	51,246	47,298
Unrestricted Assets	46,256	51,956
Equity in Fixed Assets	186,974	173,360
	233,230	225,316
	\$ 284,476	\$ 272,614

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, 2016**

	Budget	2016	2015
REVENUE			
Recreation & Culture			
Alberta Cultural Grant	\$ 70,640	\$ 70,640	\$ 70,640
Parkland Regional Library	25,025	24,159	18,413
City of Lacombe	280,980	280,980	249,528
City of Lacombe - In Kind	265,000	271,776	262,983
Other Provincial	-	1,596	-
Book Bag Sales	4,000	4,635	2,513
Donations and Gifts in Kind	4,000	3,995	8,476
Fines	10,000	8,410	6,776
Interest	200	2,592	2,136
Memberships	20,500	22,325	19,818
Other	2,500	7,807	1,646
Photocopies, printing and faxes	8,000	10,034	5,811
Proctor Fees	3,500	4,770	2,478
Parkland Regional Library Allotment	22,416	22,944	22,416
Program Registrations	3,300	3,289	1,521
	<u>720,061</u>	<u>739,952</u>	<u>675,155</u>
OPERATING EXPENSES			
Advertising	3,000	4,051	2,522
Accounting	10,000	11,300	11,300
Board Expenses	6,000	4,396	6,544
Books	25,025	24,159	18,413
Building Lease - In Kind	265,000	271,776	262,983
Donated Materials - In-Kind	4,000	2,478	534
Fines	1,500	212	876
Furnishings	-	-	-
Interest and Bank Charges	1,200	2,176	2,359
Membership fees	1,000	229	400
Office Expenses	30,579	31,701	28,335
Professional Development	4,000	5,575	2,904
Program and Internet Expenses	19,100	19,843	12,019
Subscriptions	16,000	15,879	18,320
Telephone	7,182	7,213	8,416
Travel	3,500	4,304	2,078
Wages & Benefits	322,975	326,746	285,454
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	-
	<u>720,061</u>	<u>732,038</u>	<u>663,457</u>
EXCESS OF REVENUES OVER EXPENSES	\$ -	\$ 7,914	\$ 11,698

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

**LACOMBE PUBLIC LIBRARY
STATEMENT OF EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Unrestricted	Invested in Physical Assets	Total	2015
BALANCE - BEGINNING OF YEAR	\$ 51,956	\$ 173,360	\$ 225,316	\$ 213,616
Purchases of Capital Assets	(13,614)	13,614	-	-
Excess of Revenues over Expenses	7,914	-	7,914	11,698
BALANCE - END OF YEAR	\$ 46,256	\$ 186,974	\$ 233,230	\$ 225,316

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

**LACOMBE PUBLIC LIBRARY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
OPERATING ACTIVITIES		
Net income for the period	7,914	11,698
Non-cash items included in excess of revenues over expenses:		
Accounts receivable	7,937	(7,650)
Prepaid Expenses	816	(2,390)
Net changes in non-cash working capital balances:		
Accrued AP & Liabilities	6,187	675
Deferred Revenue	(2,238)	3,325
	20,616	5,658
INVESTING ACTIVITIES		
Purchase of Physical Assets	(13,614)	(42,420)
FINANCING ACTIVITIES		
CAPITAL ACTIVITIES:		
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	7,002	(36,762)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	82,980	119,743
CASH AND CASH EQUIVALENTS - END OF YEAR	89,982	82,981

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, 2016

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.

b. Budget Amounts

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

c. Basis of Accounting

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

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.

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.

LACOMBE PUBLIC LIBRARY
Notes to the Financial Statements
For the Year Ended December 31, 2016

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.

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.

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.

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.

2. CASH AND TEMPORARY INVESTMENTS

	Note	2016	2015
Cash	\$	400	\$ 400
Current Bank Account		89,582	82,581
	\$	89,982	\$ 82,981

LACOMBE PUBLIC LIBRARY
Notes to the Financial Statements
For the Year Ended December 31, 2016

3. DUE TO CITY OF LACOMBE

Trade Payables included \$30,608 (2015 - \$24,488) of amounts payable to the City of Lacombe

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.

5. APPROVAL OF FINANCIAL STATEMENTS

Board and management have approved these financial statements.
