

TOWN OF MILLET LIBRARY BOARD

Financial Statements

For The Year Ended December 31, 2021

TOWN OF MILLET LIBRARY BOARD

Financial Statements

For The Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Town of Millet Public Library Board:

Qualified Opinion

We have audited the financial statements of the Town of Millet Public Library Board, which comprise the statement of financial position as at December 31, 2021, and the statements of change in net assets, operations, 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Town of Millet Public Library Board as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for not-for-profit organizations.

Basis for Qualified 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 Organization 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.

In common with many not-for-profit organizations, the Town of Millet Public Library Board derives some revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenues over expenditures, current assets, and net assets.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector 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 these financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Organization'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.

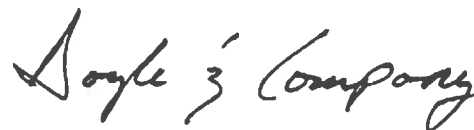
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

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 Organization'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 Organization'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 Organization 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.

Edmonton, Alberta
June 7, 2022



Chartered Professional Accountants

TOWN OF MILLET LIBRARY BOARD

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	2021	2020
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	90,631	94,796
GST receivable	5,691	919
Inventory	5,000	1,800
	101,322	97,515
CAPITAL ASSETS (Note 4)	400,149	135,013
	501,471	232,528
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	4,130	2,100
Deferred revenue (Note 5)	-	12,000
	4,130	14,100
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS	400,149	135,013
GENERAL FUND	97,192	83,415
	497,341	218,428
Approved by the Board:		
_____ Board Member		
_____ Board Member		
	501,471	232,528

The accompanying notes form part of these financial statements.

TOWN OF MILLET LIBRARY BOARD
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

GENERAL FUND:	2021	2020
	\$	\$
Balance - Beginning of year	83,415	72,422
Excess of revenue over expenses	13,777	10,993
Balance - End of year	97,192	83,415

INVESTMENT IN CAPITAL ASSETS	2021	2020
	\$	\$
Balance - Beginning of year	135,013	132,905
Purchase of capital assets	113,251	2,108
Book and electronic resources	246,490	-
Write down of computer assets	(94,605)	-
Balance - End of year	400,149	135,013

The accompanying notes form part of these financial statements.

TOWN OF MILLET LIBRARY BOARD

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
REVENUE			
Municipal grant (Note 6)	69,424	69,424	47,000
County grant	28,262	28,207	28,262
Provincial grant	16,650	16,650	16,650
Town of Millet grant (Note 6)	18,000	18,000	-
Other grants	39,690	102,990	18,000
Fees and fines	1,000	1,073	962
Program and miscellaneous revenue	-	93	96
Photocopier fees	450	221	238
Book sales and donations	15,300	17,810	3,612
FCSS grant carried forward to 2021 (Note 5)	12,000	12,000	(12,000)
Schedule 1	200,776	266,468	102,820
EXPENSES			
Administration	-	284	-
Advertising and promotion	-	1,264	-
Books and digital resource purchases	500	2,005	166
Equipment and furnishings	147,850	108,596	2,108
Interest and bank charges	70	38	66
Meetings and conventions	710	110	106
Memberships and licenses	1,050	750	1,026
Moving costs	8,200	5,544	-
Office and library supplies	8,000	9,895	4,083
Program expense and supplies	5,100	23,426	623
Program expenses - FCSS grant	-	-	6,000
Telephone	800	504	588
Utilities	4,000	5,120	6,878
Volunteer recognition	1,000	1,000	-
Wages and benefits	107,293	94,155	70,183
Schedule 1	284,573	252,691	91,827
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(83,797)	13,777	10,993

The accompanying notes form part of these financial statements.

TOWN OF MILLET LIBRARY BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants, sales and other	238,532	127,879
Cash paid to suppliers and employees for operations	(129,446)	(89,519)
	109,086	38,360
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to capital assets	(113,251)	(2,108)
(DECREASE) INCREASE IN CASH DURING THE YEAR	(4,165)	36,252
CASH - Beginning of year	94,796	58,544
CASH - End of year	90,631	94,796

The accompanying notes form part of these financial statements.

TOWN OF MILLET LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

NATURE OF OPERATIONS

The Town of Millet Library Board was originally founded in 1953 and is a member of the Yellowhead Regional Library System. The organization is funded by grants from all levels of government and by donations from the public.

The Town of Millet Library Board endeavours to serve the educational, cultural, social and recreational needs of the people of Millet and the surrounding district by assembling, making available, promoting, preserving and disposing of organized collections of library materials, library services, program events and exhibits.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) General

The financial statements of the Town of Millet Library Board have been prepared in accordance with Part III of the CPA Handbook, Canadian Accounting Standards For Not-For-Profit Organizations ("Part III"). Significant aspects of the accounting policies adopted by the Millet - Public Library Board are described below:

(b) Revenue recognition

The Library follows the deferral method of accounting for contributions. Contributions, including operating grants, are included in revenue in the year in which they are received or receivable and the related expenditure is made.

Grants received for the acquisition of tangible capital assets or to fund future period expenditures are carried forward until the expenditure is made.

Fees, fines and program revenue and book sales are recognized as revenue in the period earned.

Donations revenue is recognized when received.

(c) Capital assets

Capital assets are stated at cost.

(d) Financial Instruments

The Library initially measures all of its financial assets and liabilities at fair value.

The Library subsequently measures all of its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and GST receivable.

Financial liabilities measured at amortized cost include accounts payable and grant contributions carried forward.

(e) Cash

Cash consists of funds held on deposit at ATB Financial.

TOWN OF MILLET LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. MEASUREMENT UNCERTAINTY

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the year. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

3. FINANCIAL INSTRUMENTS

The Library's financial instruments consists of cash, accounts receivable, accounts payable and deferred revenue. Unless otherwise noted, it is management's opinion that the library is not exposed to significant interest or foreign currency risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

4. CAPITAL ASSETS

	2021 \$ At Cost	2020 \$ At Cost
Miscellaneous Equipment	-	5,674
Computer equipment	16,598	10,408
Furniture, shelving and equipment	137,061	89,086
Books and library resources	246,490	29,845
	400,149	135,013

5. GRANT CONTRIBUTIONS CARRIED FORWARD

	2021 \$	2020 \$
FCSS grant for shelving carried forward to 2021	-	12,000

TOWN OF MILLET LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

6. RELATED PARTY TRANSACTIONS WITH TOWN OF MILLET

The Town of Millet Library Board is related to the Town of Millet in that they act as partners with common objectives and their operations complement each other. Significant transactions involving the two parties are as follows:

	2021 \$	2020 \$
a) Revenue - Operating Grant	69,424	47,000
b) Revenue - Capital Grant	18,000	-
	87,424	47,000
c) Expenses paid on behalf of Town of Millet Library Board that are not recorded in these financial statements		
Regional Library Appropriation	8,675	8,363
Audit fees	2,650	2,650
Insurance	-	1,676
Repairs and maintenance	21,311	634
Utilities	171	-
	32,807	13,323

7. CONTRIBUTED MATERIALS AND SERVICES

Contributed materials and services are recorded at fair value when the amount can reasonably be determined and would have been purchased by the Library if not contributed. Due to the difficulty of determining their fair value, volunteer services are not recognized in the financial statements.

Contributed materials for the year ended December 31, 2021 totalled \$15,936.

8. BUDGET

Budget figures have not been audited.

9. SIGNIFICANT EVENT

As of the date of these financial statements, social distancing measures have been put in place in Alberta as part of the interventions intended to prevent the spread of COVID-19, which has impacted all library programs. The Government of Alberta declared a provincial state of public health emergency as per the Province of Alberta's Public Health Act on March 17, 2020 with respect to COVID-19. The length of time these social distancing measures will be put in place is currently unknown. The extent to which COVID-19 impacts the Library's results will depend on future developments, which are highly uncertain and cannot be predicted and dependent upon new information which may emerge concerning the severity of COVID-19 and actions taken to contain this or its impact, among others.

TOWN OF MILLET LIBRARY BOARD
DETAILED STATEMENT OF OPERATIONS - SCHEDULE 1
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Funding \$	Grant Income FCSS \$	Grant Income County of Wetaskiwin \$	Grant Income Alberta Gov't - CIP \$	Grant Income Alberta Gov't Covid 19 \$	Grant Income Town of Millet \$
REVENUE						
Municipal grant	69,424	-	-	-	-	-
Country grant	28,207	-	-	-	-	-
Provincial grant	16,650	-	-	-	-	-
Town of Millet grant	-	-	-	-	-	18,000
Other grants	-	6,000	20,000	42,200	33,690	-
Fees and fines	1,073	-	-	-	-	-
Programs and miscellaneous	93	-	-	-	-	-
Photocopier fees	221	-	-	-	-	-
Book sales and donations	17,810	-	-	-	-	-
Grant carried forward to 2021	-	-	-	-	-	-
	133,478	6,000	20,000	42,200	33,690	18,000
EXPENSES						
Administration	-	-	-	-	284	-
Advertising and promotion	1,264	-	-	-	-	-
Books and digital resources	2,005	-	-	-	-	-
Equipment and furnishings	16,396	-	20,000	42,200	-	18,000
Interest and bank charges	38	-	-	-	-	-
Meetings and conventions	110	-	-	-	-	-
Memberships and licenses	750	-	-	-	-	-
Moving costs	5,544	-	-	-	-	-
Office and library supplies	2,695	-	-	-	7,200	-
Program expenses and supplies	1,713	5,000	-	-	16,713	-
Program expenses - FCSS grant	-	-	-	-	-	-
Telephone	504	-	-	-	-	-
Utilities	5,120	-	-	-	-	-
Volunteer recognition	-	1,000	-	-	-	-
Wages and benefits	83,499	-	-	-	9,556	-
	119,638	6,000	20,000	42,200	33,753	18,000
NET SURPLUS (DEFICIT)	13,840	-	-	-	(63)	-

TOWN OF MILLET LIBRARY BOARD
DETAILED STATEMENT OF OPERATIONS - SCHEDULE 1
FOR THE YEAR ENDED DECEMBER 31, 2021

	Grant Income FCSS Shelving Grant \$	Grant Income Healthy Initiatives \$	2021 \$	2020 \$
REVENUE				
Municipal grant	-	-	69,424	47,000
Country grant	-	-	28,207	28,262
Provincial grant	-	-	16,650	16,650
Town of Millet grant	-	-	18,000	-
Other grants	-	1,100	102,990	18,000
Fees and fines	-	-	1,073	962
Programs and miscellaneous	-	-	93	96
Photocopier fees	-	-	221	238
Book sales and donations	-	-	17,810	3,612
Grant carried forward to 2021	12,000	-	12,000	(12,000)
	12,000	1,100	266,468	102,820
EXPENSES				
Administration	-	-	284	-
Advertising and promotion	-	-	1,264	-
Books and digital resources	-	-	2,005	166
Equipment and furnishings	12,000	-	108,596	2,108
Interest and bank charges	-	-	38	66
Meetings and conventions	-	-	110	106
Memberships and licenses	-	-	750	1,026
Moving costs	-	-	5,544	-
Office and library supplies	-	-	9,895	4,083
Program expenses and supplies	-	-	23,426	623
Program expenses - FCSS grant	-	-	-	6,000
Telephone	-	-	504	588
Utilities	-	-	5,120	6,878
Volunteer recognition	-	-	1,000	-
Wages and benefits	-	1,100	94,155	70,183
	12,000	1,100	252,691	91,827
NET SURPLUS (DEFICIT)	-	-	13,777	10,993