

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Financial Statements

Year Ended December 31, 2011

(Unaudited)

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Index to Financial Statements

Year Ended December 31, 2011

(Unaudited)

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Receipts and Disbursements	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8



THE DASH GROUP

DASHKEWYTSCH ACCOUNTING - CGA
BUSINESS CONSULTING

REVIEW ENGAGEMENT REPORT

To the Members of Parkland County Municipal Library Board

I have reviewed the statement of financial position of Parkland County Municipal Library Board as at December 31, 2011 and the statements of receipts and disbursements, changes in net assets and cash flows for the year then ended. My 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 me by the organization.

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

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

Stony Plain, Alberta

CERTIFIED GENERAL ACCOUNTANT

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

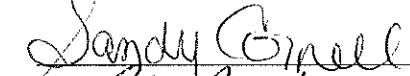
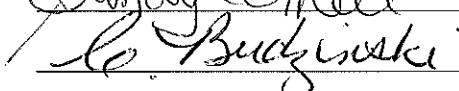
Statement of Financial Position

December 31, 2011

(Unaudited)

	2011	2010
ASSETS		
CURRENT		
Cash	\$ 260,637	\$ 286,026
Term deposits (Note 3)	100,000	-
Interest receivable	848	-
	<u>361,485</u>	<u>286,026</u>
CAPITAL ASSETS (Note 4)	23,969	11,535
BOOK COLLECTION	<u>42,078</u>	<u>42,078</u>
	<u>\$ 427,532</u>	<u>\$ 339,639</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 26,601	\$ 8,719
Employee deductions payable	-	5,066
Deferred contributions (Note 5)	<u>184,561</u>	<u>110,332</u>
	<u>211,162</u>	<u>124,117</u>
NET ASSETS		
Operating fund	150,324	161,909
Capital asset fund	<u>66,046</u>	<u>53,613</u>
	<u>216,370</u>	<u>215,522</u>
	<u>\$ 427,532</u>	<u>\$ 339,639</u>

ON BEHALF OF THE BOARD

 Member
 Member

See notes to financial statements

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Statement of Receipts and Disbursements

Year Ended December 31, 2011

(Unaudited)

	2011	2010
RECEIPTS <i>(Note 6)</i>	\$ 524,399	\$ 467,377
DISBURSEMENTS		
Public library funding <i>(Note 7)</i>	280,000	262,500
Salaries, wages and contractors	173,534	133,273
Library programs and supplies	27,583	35,595
Travel	13,905	9,714
Honourariums	11,760	12,220
Training	6,339	3,906
Amortization	5,469	4,655
Professional fees	2,310	2,310
Meals and entertainment	883	1,123
Insurance	610	639
Donations	600	-
Memberships	485	443
Office	465	670
Telephone	283	-
Interest and bank charges	173	248
Advertising and promotion	-	81
	524,399	467,377
EXCESS OF RECEIPTS OVER DISBURSEMENTS FROM OPERATIONS	-	-
OTHER INCOME (EXPENSES)		
Interest earned from term deposit	848	-
EXCESS OF RECEIPTS OVER DISBURSEMENTS	\$ 848	\$ -

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Statement of Changes in Net Assets

Year Ended December 31, 2011

(Unaudited)

	Operating Fund		Capital Asset Fund		2011	2010
NET ASSETS - BEGINNING OF YEAR	\$	161,909	\$	53,613	\$ 215,522	\$ 215,522
Excess of receipts over disbursements		(11,585)		12,433	848	-
NET ASSETS - END OF YEAR	\$	150,324	\$	66,046	\$ 216,370	\$ 215,522

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Statement of Cash Flows

Year Ended December 31, 2011

(Unaudited)

	2011	2010
OPERATING ACTIVITIES		
Excess of receipts over disbursements	\$ 848	\$ -
Item not affecting cash:		
Amortization of capital assets	<u>5,469</u>	<u>4,655</u>
	<u>6,317</u>	<u>4,655</u>
Changes in non-cash working capital:		
Interest receivable	(848)	-
Accounts payable	17,881	(15,367)
Deferred contributions	74,229	110,332
Employee deductions payable	<u>(5,066)</u>	<u>1,220</u>
	<u>86,196</u>	<u>96,185</u>
Cash flow from operating activities	<u>92,513</u>	<u>100,840</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(17,902)</u>	<u>(10,150)</u>
INCREASE IN CASH FLOW	74,611	90,690
Cash - beginning of year	<u>286,026</u>	<u>195,336</u>
CASH - END OF YEAR	\$ 360,637	\$ 286,026
CASH CONSISTS OF:		
Cash	\$ 260,637	\$ 286,026
Term deposits	<u>100,000</u>	<u>-</u>
	<u>\$ 360,637</u>	<u>\$ 286,026</u>

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Notes to Financial Statements

Year Ended December 31, 2011

(Unaudited)

1. DESCRIPTION OF OPERATIONS

The Parkland County Municipal Library Board is a non-profit organization created by Parkland County in May of 1997 and is subject to the Alberta Libraries Act and Regulations. The Parkland County Municipal Library Board exists to promote and provide, through regional partnerships, effective, equitable, affordable and accessible library services to the residents of Parkland County by actively responding to community needs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments

Short term investments are carried at the lower of cost and market value.

Short term investments consist primarily of investment certificates with original maturities at date of purchase beyond three months and less than twelve months. Such short term investments are carried at cost, which approximates fair value, due to the short period of time to maturity.

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Equipment	20%	straight-line method
Computer equipment	20%	straight-line method
Computer software	100%	declining balance method
Furniture and fixtures	20%	declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

Operating Fund

The operating fund accounts for the organization's program delivery and administrative activities.

Capital Asset Fund

The organization maintains a capital asset fund to provide for and track the purchase of capital assets.

Revenue Recognition

The organization utilizes the deferral method for recognizing receipts. Under this method receipts are recognized in the year the related disbursements are incurred. Receipts are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(continues)

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Notes to Financial Statements

Year Ended December 31, 2011

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

International Financial Reporting Standards (IFRS)

Parkland County Municipal Library Board prepares its financial statements in accordance with Canadian GAAP as defined by Canada's Accounting Standards Board (AcSB). The AcSB has announced its intention to converge Canadian GAAP with international financial reporting standards (IFRS). Effective January 1, 2012, Canadian private sector not-for-profit organizations will have a new financial reporting framework. These organizations may apply accounting standards for not-for-profit organizations in the CICA Handbook – Accounting (Part III) or International Financial Reporting Standards in the Handbook (Part 1). Earlier application is permitted. This change is part of a worldwide shift to IFRS intended to facilitate global capital flows and to bring greater clarity and consistency to financial reporting in the global marketplace.

The organization is monitoring this conversion process and is in the process of establishing an internal conversion project team.

3. INVESTMENT CERTIFICATE

	<u>2011</u>	<u>2010</u>
Servus Credit Union One Year Term Deposit @ .90% , maturity January 21st, 2012 <i>(market value \$100,848)</i>	<u>\$ 100,000</u>	<u>\$ -</u>

4. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2011 Net book value</u>	<u>2010 Net book value</u>
Equipment	\$ 12,144	\$ 4,411	\$ 7,733	\$ 8,881
Computer equipment	25,223	17,938	7,285	453
Computer software	749	749	-	-
Furniture and fixtures	13,960	5,009	8,951	2,201
	<u>\$ 52,076</u>	<u>\$ 28,107</u>	<u>\$ 23,969</u>	<u>\$ 11,535</u>

PARKLAND COUNTY MUNICIPAL LIBRARY BOARD

Notes to Financial Statements

Year Ended December 31, 2011

(Unaudited)

5. DEFERRED CONTRIBUTIONS

The Board has approved the creation of reserve funds to address future computer and equipment purchases as well as a contingency for general operations. The figures below disclose net provision (expenditures) and closing balances.

The Duffield and Keephills library outlets were previously operated by respective Friends of the Library Association with funds provided by the Board. During the year, both of these Associations were dissolved and the remaining funds were returned to the Board. The Board has designated these funds for projects specifically directed to those two outlet locations. These funds were not spent during the year, but are expected to be disbursed during 2012. Accordingly, the returned funds have been shown as deferred contributions.

	<u>2011</u>	<u>2010</u>
General Operating Contingency Reserve	\$ 38,310	\$ 85,332
Computer & Equipment Reserve	<u>15,000</u>	<u>25,000</u>
Subtotal	53,310	110,332
Deferred income balance, opening	110,332	-
Duffield Friends of the Library	10,918	-
Keephills Friends of the Library	<u>10,000</u>	<u>-</u>
Deferred income balance, closing	<u>\$ 184,560</u>	<u>\$ 110,332</u>

6. RECEIPTS

The organization receives its primary funding as outlined below.

	<u>2011</u>	<u>2010</u>
Parkland County	\$ 415,228	\$ 415,228
Government of Alberta	<u>162,481</u>	<u>162,481</u>
Subtotal	577,709	577,709
General Operating Contingency Reserve	(38,310)	(85,332)
Computer & Equipment Reserve	<u>(15,000)</u>	<u>(25,000)</u>
	<u>\$ 524,399</u>	<u>\$ 467,377</u>

7. PUBLIC LIBRARY FUNDING

	<u>2011</u>	<u>2010</u>
Spruce Grove	\$ 94,560	\$ 88,650
Stony Plain	89,170	83,600
Devon	37,230	34,900
Wabamun	30,080	28,200
Seba Beach	21,280	19,950
Drayton Valley	<u>7,680</u>	<u>7,200</u>
	<u>\$ 280,000</u>	<u>\$ 262,500</u>
