

GRANDE PRAIRIE PUBLIC LIBRARY

Financial Statements

December 31, 2022



INDEPENDENT AUDITORS' REPORT

To the Board Members of the Grande Prairie Public Library

Opinion

We have audited the financial statements of Grande Prairie Public Library (the Library Board), which comprise the statement of financial position as at December 31, 2022, and the statements of financial activities and accumulated surplus, changes in net financial assets and changes in financial position 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 Library Board as at December 31, 2022, and the result of its financial activities, changes in its net financial assets and changes in its financial position for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 *Independent Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Library Board in accordance with 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.

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 public sector accounting standards, 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 Library Board'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 Library Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library Board's financial reporting process.

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Independent Auditors' 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 auditors' 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 Library Board'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 Library Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Library Board 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.

Fetchor Mundy & LLP

Grande Prairie, Alberta
March 14, 2023

Chartered Professional Accountants

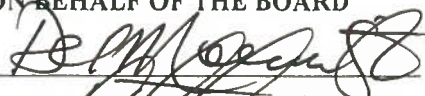
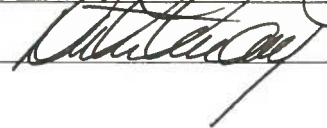
GRANDE PRAIRIE PUBLIC LIBRARY

Statement of Financial Position

December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 959,251	\$ 1,793,273
Accounts receivable	23,289	4,377
Long-term investments (Note 4)	824,098	-
	<u>1,806,638</u>	<u>1,797,650</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	151,538	131,613
Deferred revenue (Note 6)	45,859	26,109
	<u>197,397</u>	<u>157,722</u>
NET FINANCIAL ASSETS	<u>1,609,241</u>	<u>1,639,928</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	472,821	639,078
Prepaid expenses	54,004	42,405
	<u>526,825</u>	<u>681,483</u>
ACCUMULATED SURPLUS (Schedule 1)	<u>\$ 2,136,065</u>	<u>\$ 2,321,410</u>

ON BEHALF OF THE BOARD

 Board Member
 Board Member

Please see accompanying notes to financial statements

GRANDE PRAIRIE PUBLIC LIBRARY
Statement of Financial Activities and Accumulated Surplus
Year Ended December 31, 2022

	<i>Budget (Unaudited - Note 13)</i>	2022	2021
REVENUE			
Grant revenue (Note 8)	\$ 2,400,720	\$ 2,401,460	\$ 2,431,006
Building rent grant revenue (Note 9)	2,637,415	1,096,588	2,179,278
Donations	2,500	43,866	46,029
Interest	2,500	36,478	28,904
Photocopier and room rental	55,000	73,990	31,252
Other revenue	100	241	1,673
	<u>5,098,235</u>	<u>3,652,623</u>	<u>4,718,142</u>
EXPENDITURES			
Advertising and promotion	15,000	11,156	14,682
Amortization of tangible capital assets	175,000	158,331	151,099
Bad debts	-	-	121
Building rental (Note 9)	2,637,415	1,096,588	2,179,278
Consulting	-	9,331	520
Equipment, furniture and fixtures not capitalized	35,000	15,236	22,666
Insurance, licenses and memberships	61,500	21,426	29,667
Interest and bank charges	5,000	4,167	2,848
Library materials	209,376	257,917	313,112
Professional development	22,000	18,645	10,470
Professional fees	28,500	26,626	29,916
Programming	33,200	33,880	24,792
Repairs and maintenance	17,000	34,791	43,150
Salaries and wages	1,994,872	2,067,363	2,062,181
Supplies	30,573	32,468	23,699
Telecommunications	18,000	36,613	37,176
	<u>5,282,436</u>	<u>3,824,538</u>	<u>4,945,377</u>
DEFICIT FROM OPERATIONS	(184,201)	(171,915)	(227,235)
Other expenses			
Loss on disposal of property, plant and equipment	-	(13,430)	(54,395)
DEFICIENCY OF REVENUE OVER EXPENDITURES	(184,201)	(185,345)	(281,630)
ACCUMULATED SURPLUS, BEGINNING	<u>2,321,410</u>	<u>2,321,410</u>	<u>2,603,040</u>
ACCUMULATED SURPLUS, ENDING (Schedule 1)	<u>\$ 2,137,209</u>	<u>\$ 2,136,065</u>	<u>\$ 2,321,410</u>

Please see accompanying notes to financial statements

An independently owned member
RSM Canada Alliance



GRANDE PRAIRIE PUBLIC LIBRARY
Statement of Changes in Net Financial Assets
Year Ended December 31, 2022

	<i>Budget</i> <i>(Unaudited -</i> <i>Note 13)</i>	2022	2021
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (184,201)	\$ (185,345)	\$ (281,630)
Acquisition of tangible capital assets	(100,000)	(5,504)	(148,158)
Amortization of tangible capital assets	175,000	158,331	151,099
Loss on disposal of tangible capital assets	-	13,430	54,395
	<u>75,000</u>	<u>166,257</u>	<u>57,336</u>
Acquisition of prepaid expenses	-	(54,004)	(42,405)
Use of prepaid expenses	-	42,405	113,641
	<u>75,000</u>	<u>154,658</u>	<u>128,572</u>
DECREASE IN NET FINANCIAL ASSETS	(109,201)	(30,687)	(153,058)
NET FINANCIAL ASSETS, BEGINNING	<u>1,639,928</u>	<u>1,639,928</u>	<u>1,792,986</u>
NET FINANCIAL ASSETS, ENDING	<u>\$ 1,530,727</u>	<u>\$ 1,609,241</u>	<u>\$ 1,639,928</u>

Please see accompanying notes to financial statements

An independently owned member
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GRANDE PRAIRIE PUBLIC LIBRARY
Statement of Changes in Financial Position
Year Ended December 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Deficiency of revenue over expenditures	\$ (185,345)	\$ (281,630)
Items not affecting cash:		
Amortization of tangible capital assets	158,331	151,099
Loss on disposal of tangible capital assets	13,430	54,395
	<u>(13,584)</u>	<u>(76,136)</u>
Changes in non-cash working capital:		
Accounts receivable	(18,912)	1,181
Accounts payable and accrued liabilities	19,925	(11,280)
Deferred revenue	19,750	(30,332)
Prepaid expenses	(11,599)	71,236
	<u>9,164</u>	<u>30,805</u>
Cash used by operating activities	<u>(4,420)</u>	<u>(45,331)</u>
INVESTING ACTIVITIES		
Acquisition of tangible capital assets	(5,504)	(148,158)
Purchase of long term investments	(824,098)	-
Cash used by investing activities	<u>(829,602)</u>	<u>(148,158)</u>
DECREASE IN CASH	(834,022)	(193,489)
CASH - BEGINNING OF YEAR	1,793,273	1,986,762
CASH - END OF YEAR	\$ 959,251	\$ 1,793,273
SUPPLEMENTARY INFORMATION		
Interest paid	\$ 4,165	\$ 2,849
Income taxes paid <i>(Note 11)</i>	\$ -	\$ -

Please see accompanying notes to financial statements

GRANDE PRAIRIE PUBLIC LIBRARY

(Schedule 1)

Changes in Accumulated Surplus
Year Ended December 31, 2022

	Unrestricted Surplus (Deficit)	Restricted Surplus	Equity in Tangible Capital Assets	2022	2021
BALANCE, BEGINNING OF YEAR	\$ -	\$ 1,682,332	\$ 639,078	\$ 2,321,410	\$ 2,603,040
Deficiency of revenue over expenditures	(185,345)	-	-	(186,795)	(281,630)
Unrestricted funds designated for future use	(3,430)	3,430	-	-	-
Interest earned on restricted funds	(12,870)	12,870	-	-	-
Restricted funds used for operations	29,884	(29,884)	-	-	-
Restricted funds used for tangible capital assets	-	(5,504)	5,504	-	-
Annual amortization expense	158,331	-	(158,331)	-	-
Tangible capital assets disposed of (at net book value)	13,430	-	(13,430)	-	-
Change in accumulated surplus	-	(19,088)	(166,257)	(186,795)	(281,630)
BALANCE, END OF YEAR	\$ -	\$ 1,663,244	\$ 472,821	\$ 2,134,615	\$ 2,321,410

GRANDE PRAIRIE PUBLIC LIBRARY

Schedule of Tangible Capital Assets

Year Ended December 31, 2022

(Schedule 2)

	Computer equipment	Furniture and fixtures	Office equipment	Leasehold improvements	Cultural and historical	Total 2022	Total 2021
COST							
BALANCE, BEGINNING	\$ 478,201	\$ 813,618	\$ 44,992	\$ 350,502	\$ 9,800	\$ 1,697,113	\$ 1,953,502
Acquisition of tangible capital assets	5,504	-	-	-	-	5,504	148,158
Disposal of tangible capital assets	(25,575)	(5,000)	(3,374)	-	-	(33,949)	(404,547)
BALANCE, ENDING	458,130	808,618	41,618	350,502	9,800	1,668,668	1,697,113
ACCUMULATED AMORTIZATION							
BALANCE, BEGINNING	255,132	458,873	44,992	299,038	-	1,058,035	1,257,088
Annual amortization	81,083	47,162	-	30,086	-	158,331	151,099
Accumulated amortization on disposals	(15,395)	(1,750)	(3,374)	-	-	(20,519)	(350,152)
BALANCE, ENDING	320,820	504,285	41,618	329,124	-	1,195,847	1,058,035
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 137,310	\$ 304,333	\$ -	\$ 21,378	\$ 9,800	\$ 472,821	\$ 639,078
2021 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 223,069	\$ 354,744	\$ -	\$ 51,465	\$ 9,800	\$ 639,078	

Please see accompanying notes to financial statements



GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

1. NATURE OF BUSINESS

The Grande Prairie Public Library (the Library Board) was established in October, 1988 under the Libraries Act as a not-for-profit organization, effectively controlled by the City of Grande Prairie. The Board of Directors of the Library Board consists of one City Councillor, one MD of Greenview Councillor and eight public directors.

The Library Board is a registered charity, registration number 11894 5468 RR0001.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Library Board are the representations of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Library Board are as follows:

Reporting entity

The financial statements reflect the assets, liabilities, revenues and expenditures and change in financial position of the reporting entity. This entity is comprised only of the operations of the Library Board.

Basis of presentation

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Revenue recognition

Grande Prairie Public Library follows the deferral method of accounting for contributions.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets are recognized as revenue in the period in which the eligibility criteria have been satisfied.

Other revenues are accounted for in the period in which their transactions or events occurred that gave rise to the revenues.

Financial instruments

The Library Board recognizes a financial instrument when it becomes party to the contractual provisions of the financial instrument. Financial instruments are recorded at fair value except for related party transactions which are recorded at the exchange amount.

In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs are expensed when incurred.

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GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

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

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are savings accounts that require 90 days notice prior to withdrawal. The cash equivalents earn monthly interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Long-term investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the normal course of operations.

Tangible capital assets

Tangible capital assets have useful lives extending beyond the current year and meet minimum dollar amount thresholds for capitalization in accordance with the policy set by the Library Board.

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Computer equipment	3-5 years
Furniture and fixtures	10 years
Office equipment	5 years
Leasehold improvements	10 years

In the year of acquisition, amortization is applied at half of normal rates. Assets under construction are not amortized until the asset is available for productive use. Works of art and historical treasures that have cultural, aesthetic or historical value that is worth preserving perpetually are not amortized.

The Library Board regularly reviews its tangible capital assets for sold or scrapped assets, at which time the cost and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. No amortization is recorded in the year of disposition.

Tangible capital assets received as contributions are recorded at fair market value at the date of receipt and are also recorded as revenue.

Impairment of long-lived assets

The Library Board tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

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

Employee future benefits

Selected employees of the Library Board are members of the Local Authority Pension Plan (LAPP), a multi-employer defined benefit pension plan. The President of the Alberta Treasury Board and the Minister of Finance are the legal trustees and administrators of the plan, which is governed by a Board of Trustees. Since the plan is a multi-employer plan, it is accounted for as a defined contribution plan and, accordingly, the Library Board does not recognize its share of any plan surplus or deficit.

Reserves for future expenditures

Reserves are established at the discretion of the Board of Directors to set funds aside for future expenditures and capital projects.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates used in the preparation of the financial statements includes the provision for amortization of tangible capital assets. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Budget

The budget amounts are presented for information purposes and have not been audited.

3. CASH AND TEMPORARY INVESTMENTS

	2022	2021
Cash	\$ 747,214	\$ 346,258
Temporary investments	212,037	1,447,015
	<u>\$ 959,251</u>	<u>\$ 1,793,273</u>

Temporary investments consist of short-term deposits that can be withdrawn with a 90 day notice and bear interest at prime minus 1.45%.

The savings account bears interest at prime minus 1.85% and the operating account bears interest at rates ranging from prime minus 1.90% to prime minus 1.55% depending on the account balance.

Included in cash, temporary investments and long-term investments (Note 4) are externally restricted amounts aggregating \$772,575 (2021 - \$768,591) received from private donors. The funds are to be used to fund reading materials for the general public, as well as equipment, fixtures and displays for the Library Board.

GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

4. LONG-TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Guaranteed investment certificates	\$ 824,098	\$ -

Long-term investments consists of guaranteed investment certificates maturing in 2027 and bear interest at rates ranging from 1.73% to 2.00%.

Included in cash, temporary investments and long-term investments are externally restricted amounts as described in Note 3.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2022</u>	<u>2021</u>
Trade accounts payable	\$ 33,122	\$ 24,857
Wages payable	41,571	44,324
Employee vacation and banked overtime payable	35,657	21,032
Payroll remittances payable	32,786	32,335
LAPP remittances payable	8,402	9,065
	<u>\$ 151,538</u>	<u>\$ 131,613</u>

6. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
Donations	\$ 44,771	\$ 26,109
Room rentals	1,088	-
	<u>\$ 45,859</u>	<u>\$ 26,109</u>

7. RESTRICTED SURPLUS

	Balance Beginning	Additions	Reductions	Balance Closing
Willie Jansen Legacy Reserve	\$ 768,590	\$ 12,257	\$ 8,273	\$ 772,574
Clem and Muriel Collins' Fund	38,863	613	4,548	34,928
General Capital Reserve	642,288	-	22,567	619,721
Operating Reserve	232,591	3,430	-	236,021
	<u>\$ 1,682,332</u>	<u>\$ 16,300</u>	<u>\$ 35,388</u>	<u>\$ 1,663,244</u>

GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

8. GRANT REVENUE

	<u>2022</u>	<u>2021</u>
City of Grande Prairie	\$ 1,650,000	\$ 1,650,000
Alberta Public Library Services	380,486	380,486
Municipal District of Greenview No. 16	40,000	40,000
Municipal District of Greenview No. 16 book allotment	3,378	3,461
County of Grande Prairie No. 1	311,585	302,509
County of Grande Prairie No. 1 book allotment	16,011	15,189
Alberta Culture	-	39,361
	<u>\$ 2,401,460</u>	<u>\$ 2,431,006</u>

9. RELATED PARTY TRANSACTIONS

The following is a summary of the Library Board's related party transactions:

	<u>2022</u>	<u>2021</u>
City of Grande Prairie <i>(effective control of the Library Board)</i>		
Grant revenue	\$ 1,650,000	\$ 1,650,000
Building rent grant revenue (non-monetary)	1,096,588	2,179,278
Building rent expense (non-monetary)	1,096,588	2,179,278
Peace Library System <i>(municipal partnership in which the Library Board holds membership)</i>		
Book purchases	\$ 190,726	\$ 226,889
Prepaid expense	-	36,642

These transactions and balances are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The building rent to the City of Grande Prairie is a non-monetary transaction and is an estimate of the fair market value of the rent for the space the Library Board utilizes for which the City of Grande Prairie holds ownership.

10. OCCUPANCY AGREEMENT

The City of Grande Prairie owns the building occupied by the Grande Prairie Public Library. The Library Board entered into an occupancy agreement in which the space is provided for a nominal yearly fee of \$10. This agreement is for a period of five years beginning on September 14, 2022 and ending on September 13, 2027 plus an option to renew the agreement for another five years provided that the Library Board is not in default of its obligations outlined in the occupancy agreement.

11. INCOME TAXES

The Library Board is a registered charitable organization and, accordingly, is not subject to income taxes.

GRANDE PRAIRIE PUBLIC LIBRARY

Notes to Financial Statements

Year Ended December 31, 2022

12. LOCAL AUTHORITIES PENSION PLAN

Employees of the Library Board participate in the Local Authorities Pension Plan (LAPP), which is covered by the Alberta Public Sector Pension Plans Act. The Plan serves 281,764 people and 435 employers. It is financed by employer and employee contributions and investment earnings of the LAPP fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Library Board is required to make current service contributions to the Plan of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canadian Pension Plan and 12.80% on the excess.

Employees of the Library Board are required to make current service contributions of 7.45% of pensionable payroll up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.80% on the excess.

Total current service contributions by the Library Board to the Local Authorities Pension Plan in 2022 were \$123,580 (2021 - \$138,249). Total current service contributions by the employees of the Library Board to the Local Authorities Pension Plan in 2022 were \$109,750 (2021 - \$124,450).

At December 31, 2021, the Plan disclosed an actuarial surplus of \$11.9 billion (2020 - \$5.0 billion).

Effective January 1, 2023, member contribution rates will remain constant at 7.45% of pensionable earnings up to the year's maximum pensionable earnings and decrease to 11.23% thereafter for employees and 8.45% of pensionable earnings up to the year's maximum pensionable earnings and 12.23% thereafter for employers.

13. RECONCILIATION OF OPERATING RESULTS TO FINANCIAL RESULTS

The annual operating budget is prepared based upon the Library Board's annual fiscal plan, therefore, a reconciliation of the budgeted deficit as disclosed in these financial statements to the budget as approved by the Board of Directors is required under Public Sector Accounting Board Standards.

	Budget	2022	2021
Excess (deficiency) of revenue over expenditures	\$ (184,201)	\$ (185,345)	\$ (281,630)
Adjustments:			
Amortization expense (non-cash)	175,000	158,331	151,100
Tangible capital assets purchased	(100,000)	(5,504)	(148,158)
Restricted funds used for tangible capital assets	100,000	5,504	148,158
Restricted funds used for operations	9,201	29,884	93,834
Unrestricted funds designated for future use	-	(16,300)	(17,699)
Tangible capital assets disposed (at net book value)	-	13,430	54,395
Library operating budget, approved by Board of Directors (November 1, 2021)	\$ -	\$ -	\$ -

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.