

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Financial Statements

Year Ended December 31, 2014

(Unaudited)



REVIEW ENGAGEMENT REPORT

To the Members of Alberta Library Trustees Association

We have reviewed the statement of financial position of Alberta Library Trustees Association as at December 31, 2014 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Association.

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 accounting standards for not-for-profit organizations.

Edmonton, Alberta
March 24, 2015

KBH
Chartered Accountants

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Statement of Financial Position

December 31, 2014

(Unaudited)

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 99,958	\$ 102,231
Goods and services tax recoverable	712	644
Prepaid expenses	301	301
	<u>100,971</u>	103,176
CAPITAL ASSETS (Note 4)	<u>1,696</u>	845
	<u>\$ 102,667</u>	\$ 104,021
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,035	\$ 6,712
Deferred membership fee revenue	8,760	-
	<u>15,795</u>	6,712
NET ASSETS		
Unrestricted fund	<u>86,872</u>	97,309
	<u>\$ 102,667</u>	\$ 104,021
COMMITMENT (Note 6)		

ON BEHALF OF THE BOARD

_____ Director

_____ Director

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Statement of Operations

Year Ended December 31, 2014

(Unaudited)

	General Operating Fund	Trustee Education Renewal Project Fund	Total 2014	Total 2013
REVENUES				
Municipal affairs grant	\$ 70,000	\$ -	\$ 70,000	\$ -
Membership fees	20,413	-	20,413	20,928
ALC profit	5,740	-	5,740	22,088
STEP grant	-	-	-	4,436
CSJ grant	4,527	-	4,527	-
Lorne McRae grant	600	-	600	572
Interest	7	-	7	10
	<u>101,287</u>	<u>-</u>	<u>101,287</u>	<u>48,034</u>
EXPENSES				
Administration <i>(Schedule 1)</i>	28,427	-	28,427	25,233
ALC <i>(Schedule 2)</i>	11,277	-	11,277	9,383
Trustee Education Development Project <i>(Schedule 3)</i>	-	47,441	47,441	35,693
Annual general meeting <i>(Schedule 4)</i>	13,894	-	13,894	11,142
Communications <i>(Schedule 5)</i>	10,156	-	10,156	5,230
Advocacy	529	-	529	464
	<u>64,283</u>	<u>47,441</u>	<u>111,724</u>	<u>87,145</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u>\$ 37,004</u>	<u>\$ (47,441)</u>	<u>\$ (10,437)</u>	<u>\$ (39,111)</u>

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Statement of Changes in Net Assets

Year Ended December 31, 2014

(Unaudited)

	Unrestricted Fund	Trustee Education Renewal Project Fund	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 97,309	\$ -	\$ 97,309	\$ 136,420
Excess of revenue over (under) expenses	37,004	(47,441)	(10,437)	(39,111)
Transfer from Trustee Education Renewal Project Fund	(47,441)	47,441	-	-
NET ASSETS - END OF YEAR	\$ 86,872	\$ -	\$ 86,872	\$ 97,309

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2014

(Unaudited)

	2014	2013
OPERATING ACTIVITIES		
Excess of revenues under expenses	\$ (10,437)	\$ (39,111)
Item not affecting cash:		
Amortization	714	529
	<u>(9,723)</u>	<u>(38,582)</u>
Changes in non-cash working capital:		
Accounts receivable	-	70,000
Goods and services tax recoverable	(68)	(150)
Accounts payable and accrued liabilities	323	882
Deferred membership fee revenue	8,760	-
	<u>9,015</u>	<u>70,732</u>
Cash flow from (used by) operating activities	<u>(708)</u>	<u>32,150</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(1,565)</u>	<u>-</u>
INCREASE (DECREASE) IN CASH FLOW	(2,273)	32,150
Cash - beginning of year	<u>102,231</u>	<u>70,081</u>
CASH - END OF YEAR	\$ 99,958	\$ 102,231

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2014

(Unaudited)

1. PURPOSE OF ORGANIZATION

Alberta Library Trustees Association (the "association") is an organization serving the interests of member trustees throughout the Province of Alberta. The association is incorporated under the Societies Act of the Province of Alberta. The association is a registered charity under the Income Tax Act and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Measurement

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The entity subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Cash

Cash consists of balances held with financial institutions.

(continues)

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2014

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

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

Computer equipment	55%	declining balance method
Furniture and fixtures	20%	declining balance method

Revenue recognition

The Association 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 or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Membership fees are recognized as revenue in the fiscal year to which they apply. Deferred membership fee revenue consists of membership registration fees collected for the following year.

Contributed goods and services

The Association records the fair value of contributed goods and services only in the circumstances when the fair market value is determinable and when the goods and services would otherwise be purchased by the Association.

Allocation of expenses

The Association allocates administrative wages to administration, ALC expenses, trustee education development project expenses, annual general meeting expenses and member communications expenses.

The Association allocates the wages based on the estimated hours spent on each function. Total wages of \$67,280 (2013 - \$45,052) was allocated as reported in Note 5.

3. FINANCIAL INSTRUMENTS

The entity is exposed to various risks through its financial instruments. The following analysis provides information about the entity's risk exposure and concentration as of December 31, 2014.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from government agencies and other related sources and its membership base. The Association manages the liquidity risk through the preparation and monitoring of budgets and maintaining cash on hand. In addition, the corporation has the ability to increase member fees to meet shortfalls in cash requirements.

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2014

(Unaudited)

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2014 Net book value
Computer equipment	\$ 3,794	\$ 2,513	\$ 1,281
Furniture and fixtures	900	485	415
	\$ 4,694	\$ 2,998	\$ 1,696

	Cost	Accumulated amortization	2013 Net book value
Computer equipment	\$ 2,230	\$ 1,903	\$ 327
Furniture and fixtures	900	382	518
	\$ 3,130	\$ 2,285	\$ 845

5. ALLOCATION OF EXPENSES

Total wages of the Association has been allocated to each function as follows:

	2014	2013
Schedule 1 - Administration	\$ 5,786	\$ 4,213
Schedule 1 - Project management	9,000	8,000
Schedule 2 - Project management	5,000	3,500
Schedule 3 - Project management	15,000	8,237
Schedule 3 - Trustee education	9,438	8,102
Schedule 3 - Website development and delivery	900	-
Schedule 4 - Project management	12,000	9,000
Schedule 5 - Project management	8,000	4,000
Schedule 5 - Trustee voice	2,156	-
	\$ 67,280	\$ 45,052

6. COMMITMENT

The Association has entered into an agreement to lease its office premises in the Edmonton Public Library for \$146 per month until December 2016.

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Schedule of Administration Expenses

(Schedule 1)

Year Ended December 31, 2014

(Unaudited)

	2014	2013
EXPENSES		
Accounting	\$ 5,777	\$ 6,214
Administration	5,786	4,213
Amortization	714	529
Bank charges	478	301
Board meetings	-	149
IT equipment	-	371
Insurance	1,645	1,540
Memberships, CLA, TAL, EVCO	1,101	300
Miscellaneous	483	383
Office supplies	404	218
Parliamentarian	200	-
Postage and courier	104	72
Printing and photocopying	-	27
Project management	9,000	8,000
Rent	1,577	1,503
Telephone	977	1,247
Volunteer recognition	181	166
	<u>\$ 28,427</u>	<u>\$ 25,233</u>

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Schedule of ALC Expenses

(Schedule 2)

Year Ended December 31, 2014

(Unaudited)

	2014	2013
EXPENSES		
Alberta Library Trustees Association exhibit	\$ -	\$ 26
Directors registration, accomodation and travel	5,705	5,257
Lorne McRae lecture	572	600
Project management	5,000	3,500
	<u>\$ 11,277</u>	<u>\$ 9,383</u>

ALBERTA LIBRARY TRUSTEES ASSOCIATION
Schedule of Trustee Education Development Project Expenses *(Schedule 3)*
Year Ended December 31, 2014
(Unaudited)

	2014	2013
EXPENSES		
Board Retreat	\$ 8,961	\$ 5,537
Website development and delivery	3,280	3,360
Education renewal delivery	2,668	4,816
Leadership engagement	5,782	5,580
Printing	661	-
Project management	15,000	8,237
Trustee education	11,089	8,163
	\$ 47,441	\$ 35,693

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Schedule of Annual General Meeting Costs

(Schedule 4)

Year Ended December 31, 2014

(Unaudited)

	2014	2013
EXPENSES		
Awards	\$ 1,000	\$ 1,013
Materials	363	310
Project management	12,000	9,000
Reception	20	305
Trustee recognition	511	514
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	\$ 13,894	\$ 11,142

ALBERTA LIBRARY TRUSTEES ASSOCIATION

Schedule of Member Communications Expenses

(Schedule 5)

Year Ended December 31, 2014

(Unaudited)

	2014	2013
EXPENSES		
Project management	\$ 8,000	\$ 4,000
Trustee voice	<u>2,156</u>	<u>1,230</u>
	<u>\$ 10,156</u>	<u>\$ 5,230</u>