

Saskatchewan Library Association

Financial Statements

Year Ended January 31, 2022

Independent Auditor's Report

To the Members of Saskatchewan Library Association:

Opinion

I have audited the financial statements of Saskatchewan Library Association (the Entity), which comprise the statement of financial position as at January 31, 2022 and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at January 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit 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 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 the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

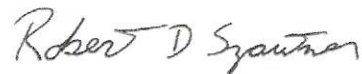
Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

INDEPENDENT AUDITORS' REPORT *(continued)*

- 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 my 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 Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity 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.

I 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 I identify during my audit.



April 11, 2022
Regina, Saskatchewan


Robert D. Szautner
Chartered Professional Accountant

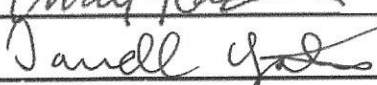
Saskatchewan Library Association
Statement of Financial Position
January 31, 2022

	General Fund	Restricted Funds	2022	2021
ASSETS				
CURRENT				
Cash	\$ 137,390	\$ -	\$ 137,390	\$ 114,933
Inventory	2,402	-	2,402	2,453
Accounts receivable	752	-	752	1,465
Prepaid expenses	10,311	-	10,311	8,117
Short-term investments (Note 3)	60,909	-	60,909	60,562
	211,764	-	211,764	187,530
LONG-TERM INVESTMENTS (Note 3)	137,053	-	137,053	137,053
RESTRICTED CASH	-	74,233	74,233	74,911
	\$ 348,817	\$ 74,233	\$ 423,050	\$ 399,494
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 11,188	\$ -	\$ 11,188	\$ 7,528
Deferred revenue (Note 4)	102,670	-	102,670	108,656
	113,858	-	113,858	116,184
NET ASSETS	234,959	74,233	309,192	283,310
	\$ 348,817	\$ 74,233	\$ 423,050	\$ 399,494

LEASE COMMITMENTS (Note 7)

ON BEHALF OF THE BOARD





Director

Director

See accompanying notes to financial statements.

Saskatchewan Library Association
Statement of Operations
Year Ended January 31, 2022

	General Fund	Restricted Funds	2022	2021
REVENUES:				
Saskatchewan Lotteries Trust Fund	\$ 183,000	\$ -	\$ 183,000	\$ 183,000
Self-generated (<i>Schedule 1</i>)	69,221	-	69,221	16,407
Restricted Funds (<i>Schedule 7</i>)	-	3,015	3,015	2,580
	252,221	3,015	255,236	201,987
EXPENSES:				
Administration (<i>Schedule 2</i>)	146,985	-	146,985	145,047
Travel and Meetings (<i>Schedule 3</i>)	736	-	736	7,279
Corporate Business (<i>Schedule 4</i>)	9,844	-	9,844	8,184
Public relations and Communications (<i>Schedule 5</i>)	1,520	-	1,520	1,009
Programs (<i>Schedule 6</i>)	57,899	-	57,899	23,370
Restricted Funds (<i>Schedule 7</i>)	-	12,370	12,370	7,200
	216,984	12,370	229,354	192,089
EXCESS OF REVENUE (EXPENSES)	\$ 35,237	\$ (9,355)	\$ 25,882	\$ 9,898

See accompanying notes to financial statements.

Saskatchewan Library Association
Statement of Changes in Net Assets
Year Ended January 31, 2022

	General Fund	Restricted Funds	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 208,399	\$ 74,911	\$ 283,310	\$ 273,412
Excess of revenues (expenses)	35,237	(9,355)	25,882	9,898
Transfers (Note 5)	(8,677)	8,677	-	-
NET ASSETS - END OF YEAR	\$ 234,959	\$ 74,233	\$ 309,192	\$ 283,310

See accompanying notes to financial statements.

Saskatchewan Library Association
Statement of Cash Flow
Year Ended January 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues (expenses)	\$ 25,882	\$ 9,898
Changes in non-cash working capital:		
Accounts receivable	713	274
Accounts payable	3,660	(3,887)
Deferred revenue	(5,986)	8,137
Inventory	51	(2,031)
Prepaid expenses	(2,194)	(148)
	<u>22,126</u>	<u>12,243</u>
INVESTING ACTIVITIES		
Purchase of investments	(60,807)	(63,242)
Proceeds on disposal of investments	60,460	60,807
	<u>(347)</u>	<u>(2,435)</u>
INCREASE (DECREASE) IN CASH FLOW	21,779	9,808
CASH - BEGINNING OF YEAR	<u>189,844</u>	<u>180,036</u>
CASH - END OF YEAR	<u>\$ 211,623</u>	<u>\$ 189,844</u>
CASH CONSISTS OF:		
Cash	\$ 137,390	\$ 114,933
Restricted cash	<u>74,233</u>	<u>74,911</u>
	<u>\$ 211,623</u>	<u>\$ 189,844</u>

See accompanying notes to financial statements.

SASKATCHEWAN LIBRARY ASSOCIATION

Notes to Financial Statements

Year ended January 31, 2022

1. NATURE OF OPERATIONS

The Saskatchewan Library Association (the "Association") is incorporated under *The Non-profit Corporations Act* of Saskatchewan. It promotes through information exchanges, education and advocacy, a province-wide support of libraries and library services to the citizens of Saskatchewan based on co-operation, accessibility and resource sharing. The Association applied for and received registered charity status in 2003.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASPNO).

Fund Accounting

A portion of the monies received by the Association may only be used for specific purposes and accordingly are accounted for in separate funds. Temporary transfers of monies between these funds are recorded as interfund receivables/payables. Permanent transfers are recorded as transfers in the net asset accounts.

The General Fund accounts for the day-to-day operations of the Association.

The following Restricted Funds do not maintain individual bank accounts, but the accounting records capture the activities and fund balances separately:

Mary Donaldson Award Fund – Initially established as a Trust, with SLA as the Settler on the Deed, to advance the cultural and informational contributions of libraries in Canada, to prepare and disseminate work on library services in the form of an annual lecture and present a Mary Donaldson Award of Merit scholarship. The Trustees transferred the Trust monies to SLA and dissolved the Trust with the approval of the Charities Directorate. The fund continues to support the Mary Donaldson Award of Merit scholarship for a library technician student. The lecture will continue under the auspices of the annual Conference Committee.

Frances Morrison Trust – The Frances Morrison Award is an award of merit for a selected recipient for outstanding service to libraries given in the name of one of Saskatchewan's exceptional librarians, Frances Morrison.

Maureen Woods Education Bursary – The Maureen Woods Education Bursary was established to promote the continued growth of professional librarianship in the Province of Saskatchewan. An annual bursary is awarded to an MLIS student each year.

Continuing Education Grant Fund – The Continuing Education Grant Fund is used to give grants to members to attend workshops, to organize and host workshops, and to attend the SLA conference as first-time attendees.

Indigenous MLIS Bursary Fund – The Indigenous MLIS Bursary Fund is used to support persons of Canadian Indigenous ancestry who are pursuing ALA accredited Master of Library and Information Science graduate programs or equivalents.

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SASKATCHEWAN LIBRARY ASSOCIATION

Notes to Financial Statements

Year ended January 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

The Association's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. 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 on the acquisition, sale or issue of financial instruments are expensed when incurred. Capital purchases are expensed at the time of purchase.

Financial assets including cash, accounts receivable, long-term and restricted investments are reported at amortized cost.

Financial liabilities including accounts payable and accrued liabilities are measured at amortized cost.

Revenue recognition

Saskatchewan Library Association follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriated restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Grant revenues are allocated to the period the granting agency identifies. Grants relating to a future period are deferred.

Membership revenue is reported as revenue when received.

Programming and exhibition fees are reported in the period the related event takes place or the service is rendered.

Sponsorships relate to specific events and are reported as revenues when the event takes place.

Local businesses contribute services to assist the Association in carrying out its activities. The Association records contributed goods and services received during the year as revenue with an offsetting expenditure. The contributed services are \$NIL (2021 - \$NIL) which are reported at their retail value as provided by the supplier.

Capital assets

Capital assets purchased, such as leasehold improvements, furniture and office equipment are expensed in the year of purchase.

SASKATCHEWAN LIBRARY ASSOCIATION

Notes to Financial Statements

Year ended January 31, 2022

3. INVESTMENTS

	2022	2021
RBC Dominion Securities-Term Deposits	\$ 195,807	\$ 195,251
Interest	2,155	2,364
Total investments	\$ 197,962	\$ 197,615

Term deposits bearing interest between 0.35 to 1.85% (2021 - 0.45% to 1.85%), maturing between May 2022 and February 2025 (2021 - May 2021 and February 2025).

4. DEFERRED REVENUE

Deferred revenue includes the following:

	2022	2021
Saskatchewan Lotteries Trust Fund, annual funding	\$ 91,500	\$ 91,500
Grand Chapter of the Sask Order of the Eastern Star	9,060	9,060
Sask Writer's Guild One Book One Province Sponsorship	-	3,000
Membership fees	120	605
Conference revenues	1,990	4,491
	\$ 102,670	\$ 108,656

5. INTERFUND TRANSFERS

The Board allocated current year conference excess of revenues (expenses) to each of the following restricted funds: \$NIL (2021- \$NIL) to Mary Donaldson Award Fund, \$NIL (2021 - \$NIL) to the Continuing Education Grant Fund and \$NIL (2021 - \$NIL) to the Maureen Woods Education Bursary.

During the year, it was noted that some 2021 fund donations were allocated incorrectly. Transfers were made in 2022 to correct these amounts: \$50 to the Mary Donaldson Award Fund and \$50 to the Maureen Woods Education Bursary, both from the General Fund, and \$25 to the Frances Morrison Trust from the Mary Donaldson Award Fund.

Also during 2022, the Board approved the formation of a new restricted fund called the Indigenous MLIS Bursary. During the year, \$8,577 was transferred into this fund from the General Fund.

6. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and management and the board are responsible to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of January 31, 2022.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. Receivables relate to event sponsorships, government rebates and interest accruals and represent no significant risk of collection.

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SASKATCHEWAN LIBRARY ASSOCIATION

Notes to Financial Statements

Year ended January 31, 2022

6. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association has sufficient resources and equity at the yearend to manage its affairs for a reasonable period, so this risk is considered to be low.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Interest rate risk is considered to be low since the Association has no debt or credit facilities nor does it rely on the interest income to support operations. The restricted funds offer support to their respective programs in relation to equity and investment earnings so some decisions may be affected by unusually low interest/investment revenues.

7. LEASE COMMITMENTS

The Association has lease commitments pertaining to an office rental and storage that is payable in monthly payments of \$1,200 (plus GST) expiring September 30, 2022. The Basic Annual Rent for the period from October 1, 2022 until September 30, 2023 shall be determined by mutual agreement two months prior to September 30, 2023.

Saskatchewan Library Association

Self-Generated
Year Ended January 31, 2022

(Schedule 1)

	2022	2021
Corporate sponsorships	16,102	-
Donations	305	180
Interest Income	2,755	2,995
Membership	12,705	12,305
Other income	718	-
Programs/services	36,636	927
	<u>\$ 69,221</u>	<u>\$ 16,407</u>

Administration Year Ended January 31, 2022

(Schedule 2)

	2022	2021
Office operations	\$ 28,744	\$ 23,527
Personnel	118,241	121,520
	<u>\$ 146,985</u>	<u>\$ 145,047</u>

Travel and Meetings Year Ended January 31, 2022

(Schedule 3)

	2022	2021
Annual general meeting	\$ 636	\$ 610
Board	-	6,493
Staff	100	176
	<u>\$ 736</u>	<u>\$ 7,279</u>

See accompanying notes to financial statements.

Saskatchewan Library Association
Corporate Business
Year Ended January 31, 2022

(Schedule 4)

	2022	2021
Bank charges and interest	\$ 2,582	\$ 1,004
Insurance	315	312
Memberships	2,046	2,404
Professional fees	4,901	4,464
	<u>\$ 9,844</u>	<u>\$ 8,184</u>

Public Relations and Communications
Year Ended January 31, 2022

(Schedule 5)

	2022	2021
Newsletter	\$ 649	\$ 638
Other promotional activities	498	-
Website	373	371
	<u>\$ 1,520</u>	<u>\$ 1,009</u>

Programs
Year Ended January 31, 2022

(Schedule 6)

	2022	2021
Conference	\$ 19,552	\$ 925
Grants to clubs	1,508	778
Other program expenses	1,235	399
One Book One Province project	5,682	5,011
Personnel	21,022	11,130
Saskatchewan Library Week	7,640	5,127
Summer Reading Club	1,260	-
	<u>\$ 57,899</u>	<u>\$ 23,370</u>

See accompanying notes to financial statements.

Saskatchewan Library Association
Schedule of Restricted Funds
Year Ended January 31, 2022

(Schedule 7)

	Mary Donaldson Award Fund	Francis Morrison Trust	Maureen Woods Education Bursary	Continuing Education Grant Fund	Indigenous MLIS Bursary	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 12,825	\$ 4,729	\$ 46,602	\$ 10,755	\$ -	74,911	\$ 79,531
REVENUES							
Donations	80	80	355	-	-	515	2,580
Sponsorships	-	-	-	2,500	-	2,500	-
	80	80	355	2,500	-	3,015	2,580
EXPENSES							
Bursary award	1,200	-	10,000	-	-	11,200	6,200
Grants	-	-	-	1,170	-	1,170	1,000
	1,200	-	10,000	1,170	-	12,370	7,200
EXCESS OF REVENUES (EXPENSES)	(1,120)	80	(9,645)	1,330	-	(9,355)	(4,620)
Interfund transfers (Note 5)	25	25	50	-	8,577	8,677	-
NET ASSETS - END OF YEAR	\$ 11,730	\$ 4,834	\$ 37,007	\$ 12,085	\$ 8,577	\$ 74,233	\$ 74,911

See accompanying notes to financial statements.