

SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007

| | <u>2007</u> | <u>2006</u> |
|---------------------------|--------------------|------------------|
| FINANCIAL ASSETS | | |
| Due from own municipality | \$ <u>28,020</u> | \$ <u>48,941</u> |
| LIABILITIES | | |
| Deferred revenue | <u> -</u> | <u>29,841</u> |
| NET ASSETS | <u>\$ 28,020</u> | <u>\$ 19,100</u> |
| MUNICIPAL POSITION | | |
| Current Fund | \$ (2,980) | \$ 2,100 |
| Reserves | <u>31,000</u> | <u>17,000</u> |
| | <u>\$ 28,020</u> | <u>\$ 19,100</u> |

(See accompanying notes and schedules)

SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

| | Budget <u>2007</u> | Actual <u>2007</u> | Actual <u>2006</u> |
|--|-----------------------|-----------------------|-----------------------|
| REVENUES | | | |
| Provincial grants | \$ 64,173 | \$ 63,524 | \$ 39,416 |
| Contributions from own Municipality | 24,000 | 24,000 | 25,485 |
| Fees, service charges and donations | <u>-</u> | <u>603</u> | <u>372</u> |
| | <u>88,173</u> | <u>88,127</u> | <u>65,273</u> |
| EXPENDITURES | | | |
| Current operations | | | |
| Salaries, wages and employee benefits | 16,456 | 23,802 | 21,436 |
| Books and periodicals | 18,442 | 7,226 | 8,140 |
| Operating supplies and maintenance | <u>11,460</u> | <u>13,213</u> | <u>13,862</u> |
| | 46,358 | 44,241 | 43,438 |
| Capital | <u>29,915</u> | <u>34,966</u> | <u>407</u> |
| Total expenditures | <u>76,273</u> | <u>79,207</u> | <u>43,845</u> |
| NET REVENUE | 11,900 | 8,920 | 21,428 |
| MUNICIPAL POSITION AT BEGINNING OF YEAR | <u>19,100</u> | <u>19,100</u> | <u>(2,328)</u> |
| MUNICIPAL POSITION AT END OF YEAR | <u>\$ 31,000</u> | <u>\$ 28,020</u> | <u>\$ 19,100</u> |

(See accompanying notes and schedules)

**SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2007**

| | <u>2007</u> | <u>2006</u> |
|--|-----------------|---------------|
| CASH FLOWS FROM (USED IN) OPERATIONS | | |
| Net revenue | \$ 8,920 | \$ 21,428 |
| | | |
| Sources (Uses): | | |
| Advances from (to) own municipality | 20,921 | (51,269) |
| Deferred revenue | <u>(29,841)</u> | <u>29,841</u> |
| | | |
| NET INCREASE IN CASH FROM OPERATIONS AND NET CHANGE IN CASH | - | - |
| | | |
| CASH AT BEGINNING OF YEAR | <u>-</u> | <u>-</u> |
| | | |
| CASH AT END OF YEAR | <u>\$ -</u> | <u>\$ -</u> |

(See accompanying notes and schedules)

SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

The South Algonquin Public Library Board is a board of the Township of South Algonquin organized to direct the provision of library services to residents of the Township.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Fund accounting

The financial statements consist of current fund, capital fund and reserve. Interfund transfers are reflected in the appropriate municipal fund balance.

The schedule of current fund operations reflects the Board's program delivery and administrative activities and interfund transfers. The current fund is to be used to offset taxation or user charges in 2007.

The schedule of capital fund operations reflects the current year's capital expenditures, related revenues and interfund transfers.

Certain amounts as approved by council are set aside in reserves and reserve funds for future operating and capital purposes. The schedule of reserves and reserve fund reflects transactions to the reserve fund.

Deferred revenue

Deferred revenue consists of amounts received in advance of related expenditure. Deferred revenue will be recognized as income in the period the related expenditures are made.

Capital assets

Capital assets are recorded as an expenditure in the year of acquisition on the statement of financial activities.

Revenue recognition

The Library is funded primarily by the Township of South Algonquin in accordance with the budget approved by the Township's council. These financial statements reflect agreed funding arrangements approved by the Township with respect to the year ended December 31, 2007.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from these estimates.

SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 NEW ACCOUNTING STANDARDS

The Board owns various tangible capital assets. Effective January 1, 2009, the Board will be required to record tangible capital assets in accordance with Section 3150 of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants. Accounting Guideline 7 of the Handbook provides transitional guidance on presenting information related to tangible capital assets until Section 3150 comes into effect. With regards to this guideline, the Board has begun compiling a listing of all tangible capital assets.

NOTE 3 FINANCIAL INSTRUMENTS

It is management's opinion that the Library Board is not exposed to significant interest, currency or credit risks.

**SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
SCHEDULE OF CURRENT FUND OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007**

| | Budget <u>2007</u> | Actual <u>2007</u> | Actual <u>2006</u> |
|--|-----------------------|-----------------------|-----------------------|
| REVENUES | | | |
| Provincial grants | \$ 39,333 | \$ 38,683 | \$ 39,357 |
| Contributions from own municipality | 24,000 | 24,000 | 25,485 |
| Fees, service charges and donations | <u>-</u> | <u>603</u> | <u>372</u> |
| | <u>63,333</u> | <u>63,286</u> | <u>65,214</u> |
| EXPENDITURES | | | |
| Salaries, wages and employee benefits | 16,456 | 23,802 | 21,436 |
| Books and periodicals | 18,442 | 7,226 | 8,140 |
| Operating supplies and maintenance | <u>11,460</u> | <u>13,213</u> | <u>13,862</u> |
| | <u>46,358</u> | <u>44,241</u> | <u>43,438</u> |
| NET REVENUES | 16,975 | 19,045 | 21,776 |
| TRANSFERS | | | |
| To reserve fund | (14,000) | (14,000) | (17,000) |
| To capital funds | <u>(5,075)</u> | <u>(10,125)</u> | <u>(348)</u> |
| CHANGE IN CURRENT FUND | (2,100) | (5,080) | 4,428 |
| CURRENT FUND AT BEGINNING OF YEAR | <u>2,100</u> | <u>2,100</u> | <u>(2,328)</u> |
| CURRENT FUND AT END OF YEAR | \$ <u>-</u> | \$ <u>(2,980)</u> | \$ <u>2,100</u> |

**SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
SCHEDULE OF CAPITAL FUND OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007**

| | Budget <u>2007</u> | Actual <u>2007</u> | Actual <u>2006</u> |
|--|-----------------------|-----------------------|-----------------------|
| REVENUES | | | |
| Provincial grant | \$ 24,840 | \$ 24,841 | \$ 59 |
| EXPENDITURES | | | |
| Equipment and building | <u>29,915</u> | <u>34,966</u> | <u>407</u> |
| NET EXPENDITURES | 5,075 | 10,125 | 348 |
| TRANSFERS | | | |
| From current fund | <u>5,075</u> | <u>10,125</u> | <u>348</u> |
| CHANGE IN CAPITAL FUND | - | - | - |
| CAPITAL FUND AT BEGINNING OF YEAR | <u>-</u> | <u>-</u> | <u>-</u> |
| CAPITAL FUND AT END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

SOUTH ALGONQUIN PUBLIC LIBRARY BOARD
SCHEDULE OF RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

| | Budget <u>2007</u> | Actual <u>2007</u> | Actual <u>2006</u> |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| REVENUES | \$ - | \$ - | \$ - |
| TRANSFERS | | | |
| From current fund | <u>14,000</u> | <u>14,000</u> | <u>17,000</u> |
| CHANGES IN RESERVES | 14,000 | 14,000 | 17,000 |
| RESERVES AT BEGINNING OF YEAR | <u>17,000</u> | <u>17,000</u> | <u>-</u> |
| RESERVES AT END OF YEAR | <u>\$ 31,000</u> | <u>\$ 31,000</u> | <u>\$ 17,000</u> |