

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED FINANCIAL STATEMENTS
AUGUST 31, 2019



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members,
CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS:

We have reviewed the accompanying financial statements of Canadian Federation of Library Associations that comprise the statement of financial position as at August 31, 2019 and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Federation of Library Associations as at August 31, 2019, 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.

OHCID LLP.
OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

Ottawa, Ontario
December 13, 2019

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT AUGUST 31, 2019

	2019		2018	
CURRENT ASSETS				
Cash	\$	106,617	\$	39,634
Investments		3,000		3,000
Accounts receivable		3,500		28,373
Prepaid expenses		2,599		1,752
	\$	115,716	\$	72,759
CURRENT LIABILITIES				
Accounts payable	\$	29,112	\$	15,375
Deferred membership dues (note 3)		73,660		31,594
		102,772		46,969
NET ASSETS				
Unrestricted		12,944		25,790
	\$	115,716	\$	72,759

Approved on behalf of the Board:

Director

Director

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2019

	2019		2018	
Balance (deficit) beginning of year	\$	25,790	\$	16,541
Net revenue (expense) for the year		(12,846)		9,249
Balance end of year	\$	12,944	\$	25,790

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF OPERATIONS FOR THE YEAR ENDED AUGUST 31, 2019

	2019	2018
REVENUE		
Memberships	\$ 133,907	\$ 123,124
Royalties	1,980	2,965
National Forum	61	19,117
Interest and other	3,630	1,535
	139,578	146,741
EXPENSE		
Consulting	1,356	2,174
Stakeholder relations	14,081	-
Governance	2,461	-
National Forum	115	8,687
Government relations	14,125	12,430
Translation	15,984	10,733
Professional fees	2,825	5,240
Insurance	617	776
Travel	2,204	8,872
Advertising and promotions	-	1,181
Bank charges	204	203
Management services	90,946	78,117
Office	7,506	9,079
	152,424	137,492
NET REVENUE (EXPENSES) FOR THE YEAR	\$ (12,846)	\$ 9,249

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AUGUST 31, 2019

	2019	2018
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Net revenue (expense) for the year	\$ (12,846)	\$ 9,249
Changes in operating components of working capital:		
Accounts receivable	24,873	(8,951)
Short term investments	-	(3,000)
Prepaid expenses	(847)	(77)
Accounts payable	13,737	(16,441)
Deferred revenue	42,066	(28,983)
	66,983	(48,203)
CHANGE IN CASH FOR THE YEAR	66,983	(48,203)
Cash beginning of the year	39,634	87,837
CASH END OF YEAR	\$ 106,617	\$ 39,634

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

NOTES TO UNAUDITED FINANCIAL STATEMENTS AUGUST 31, 2019

Canadian Federation of Library Associations (the "Federation") is a not-for-profit corporation, without share capital, incorporated under the Canada Not-for-Profit Corporations Act, and as such, is generally exempt from income taxes.

The Federation's objective is to be the united voice of Canada's libraries. The Federation works to influence public policy, advance library excellence, and raise the visibility of libraries in Canada to advance Canada's national intellectual, social, economic, and cultural success.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Revenue recognition

The Federation follows the deferral method of accounting for contributions. Membership fees are recognized as revenue in the year in which the related expenses are incurred. Royalties are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. National Forum revenue is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest and other revenue is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

b) Use of estimates

The preparation of financial statements in conformity with Canadian standards for not-for-profit organizations 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 period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

c) Financial instruments

Investments in equity instruments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

2. FINANCIAL INSTRUMENTS

The Federation's financial instruments consist of cash, investments, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Federation is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

NOTES TO UNAUDITED FINANCIAL STATEMENTS
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3. DEFERRED REVENUE

Deferred contributions consist of funding received relating to the following year.

	2019	2018
Balance, beginning of the year	\$ 31,594	\$ 60,577
Less: amount recognized as revenue in the year	(31,594)	(60,577)
Plus: amount received related to the following year	73,660	31,594
Balance, end of year	\$ 73,660	\$ 31,594

4. COMPARATIVE FIGURES

Certain figures have been reclassified to conform to the current year's financial statement presentation.