

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED FINANCIAL STATEMENTS
AUGUST 31, 2023



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, 2023 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, 2023, 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
January 18, 2024

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2023

	2023		2022 (restated note 4)	
CURRENT ASSETS				
Cash	\$	157,147	\$	166,529
Investments		3,000		3,000
Accounts receivable (net of allowance of \$12,015: 2022 - \$600)		9,617		16,722
Prepaid expenses		-		1,524
	\$	169,764	\$	187,775
CURRENT LIABILITIES				
Accounts payable and accrued liabilities (restated note 4)	\$	20,800	\$	20,274
Deferred membership dues (note 3, restated note 4))		22,200		46,822
		43,000		67,096
NET ASSETS				
Unrestricted		126,764		120,679
	\$	169,764	\$	187,775

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, 2023

	2023		2022 (restated note 4)	
Balance beginning of year	\$	120,679	\$	57,332
Net revenue for the year		6,085		63,347
Balance end of year	\$	126,764	\$	120,679

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF OPERATIONS FOR THE YEAR ENDED AUGUST 31, 2023

2022
(restated
note 4)

	2023			
REVENUE				
Memberships (restated note 4)	\$	150,123	\$	156,949
Royalties		778		190
Interest and other		-		3,119
		<u>150,901</u>		<u>160,258</u>
EXPENSE				
Consulting		78,456		59,723
National Forum		4,964		-
Government relations (restated note 4)		16,950		17,301
Translation		8,739		3,798
Professional fees		6,800		6,928
Bad debt		15,407		600
Insurance		519		808
Stakeholder relations		2,901		-
Bank charges		310		196
Meetings		1,751		-
Office		8,019		7,557
		<u>144,816</u>		<u>96,911</u>
NET REVENUE FOR THE YEAR	\$	6,085	\$	63,347

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

UNAUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AUGUST 31, 2023

	2023	2022 (restated note 4)
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Net revenue for the year	\$ 6,085	\$ 63,347
Changes in operating components of working capital:		
Accounts receivable	7,105	(12,319)
Accounts payable and accrued liabilities	526	9,760
Deferred membership dues	(24,622)	8,675
	(9,382)	69,463
CHANGE IN CASH FOR THE YEAR	(9,382)	69,463
Cash beginning of the year	166,529	97,066
CASH END OF YEAR	\$ 157,147	\$ 166,529

CANADIAN FEDERATION OF LIBRARY ASSOCIATIONS

NOTES TO UNAUDITED FINANCIAL STATEMENTS

AUGUST 31, 2023

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. Fees for annual memberships which relate to the subsequent year are deferred and recognized as deferred revenue on the statement of financial position. Royalties are 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

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
AUGUST 31, 2023

3. DEFERRED MEMBERSHIP DUES

	2023	2022 (restated note 4)
Balance, beginning of the year	\$ 46,822	\$ 38,147
Less: amount recognized as revenue in the year	(46,822)	(38,147)
Plus: amount received related to the following year	22,200	46,822
Balance, end of year	\$ 22,200	\$ 46,822

4. PRIOR PERIOD ADJUSTMENT

During the 2022-2023 fiscal year, it was determined that membership revenue was understated and deferred membership dues were overstated by \$10,417 for the year ended August 31, 2022. It was also determined that government relations expense and accounts payable and accrued liabilities were understated by \$9,888 for the year ended August 31, 2022. These errors have been corrected in the comparative figures. The impact is as follows:

	<u>As Previously Reported</u>	<u>Correction</u>	<u>As Restated</u>
STATEMENT OF FINANCIAL POSITION			
Accounts payable and accrued liabilities	\$ 10,386	\$ 9,888	\$ 20,274
Deferred membership dues	\$ 57,239	\$ (10,417)	\$ 46,822
STATEMENT OF OPERATIONS			
Memberships	\$ 146,532	\$ 10,417	\$ 156,949
Government relations	\$ 7,413	\$ 9,888	\$ 17,301
STATEMENT OF CHANGES IN NET ASSETS			
Balance end of year	\$ 120,150	\$ 529	\$ 120,679

Amounts in the statement of cash flows have been restated accordingly.