

Kenora Public Library
Financial Statements
December 31, 2022

Kenora Public Library

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For the year ended December 31, 2022

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Management's Responsibility

To the Board of Kenora Public Library:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The council of The Corporation of the City of Kenora is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the council of The Corporation of the City of Kenora to audit the financial statements and report directly to the members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

September 25, 2023



Head Librarian

To the Members of Kenora Public Library:

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Kenora Public Library (the "Organization"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2022, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

In common with many charitable organizations, the Kenora Public Library derives revenue from donations and fundraising the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Library and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, surplus (deficit), and cash flows from operations for the years ended December 31, 2022 and December 31, 2021 and assets and net assets as at December 31, 2022 and December 31, 2021. The audit opinion on the financial statements for the year ended December 31, 2021 was qualified accordingly because of the possible effects of the limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained management's annual report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 public sector accounting standards, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We 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 we identify during our audit.

Kenora, Ontario

September 25, 2023

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

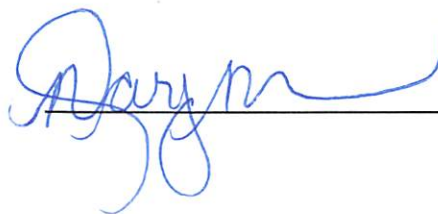
Kenora Public Library
Statement of Financial Position
As at December 31, 2022

	2022	2021
Financial assets		
Cash	1,565	9,519
Temporary investments (Note 4)	22,850	22,465
Accounts receivable	2,310	2,425
Due from The Corporation of the City of Kenora (Note 5)	555,745	542,905
Restricted cash (Note 3)	13,402	12,404
	595,872	589,718
Liabilities		
Accounts payable (Note 6)	40,082	35,785
Deferred revenue (Note 7)	28,198	29,886
Future employee benefits (Note 9)	200,142	231,125
	268,422	296,796
Net financial assets	327,450	292,922
Commitments (Note 10)		
Non-financial assets		
Tangible capital assets (Note 11)	145,306	120,073
Prepaid expenses	860	1,713
Accumulated surplus (Note 12)	473,616	414,708

Approved on behalf of the Board



Director



Director

Kenora Public Library
Statement of Operations and Accumulated Surplus
For the year ended December 31, 2022

	2022 Budget	2022	2021
Revenue			
The Corporation of the City of Kenora (Note 5)	668,456	668,456	645,520
Province of Ontario	35,583	35,583	35,583
Donations and other income	2,300	22,354	23,276
Dolly Parton Imagination Library (Note 7)	-	13,562	20,265
Room Rental	13,440	13,440	13,236
Memberships	8,000	6,945	6,585
Industry Canada	-	6,930	-
Fines	7,719	3,987	2,706
Photocopies	5,000	3,013	2,211
Proceeds from used and unreturned books	2,550	2,821	2,096
Fundraising	-	697	147
	743,048	777,788	751,625
Expenses			
Advertising	2,000	806	253
Amortization	48,245	48,245	45,067
Audit fees	5,380	7,810	5,409
Bad debts (recoveries)	-	(113)	(128)
Bank charges and interest	1,300	1,309	1,380
Books	26,435	17,727	19,524
Cleaning	29,400	23,793	27,877
Contracted services	3,600	5,235	6,452
Dolly Parton Imagination Library expenses	-	13,562	20,265
Equipment and supplies	1,902	2,330	1,602
Equipment rental	3,200	192	174
Insurance	5,677	5,854	4,475
Materials	12,250	12,207	11,239
Miscellaneous	1,700	3,963	3,931
Periodicals	3,500	3,289	2,994
Repairs and maintenance	12,500	14,896	15,540
Salaries and benefits	543,626	516,781	530,716
Technology	2,085	5,384	4,875
Telephone and utilities	28,355	29,582	28,001
Travel	4,000	3,022	3,420
	735,155	715,874	733,066
Surplus before other items	7,893	61,914	18,559
Other items			
Transfer to KLOTW Regional Community Foundation (Note 14)	-	(3,006)	(7,779)
Transfer from Capital Replacement Fund	-	-	7,500
Transfer to General Fund	-	-	(7,500)
Surplus	7,893	58,908	10,780
Accumulated surplus, beginning of year	414,708	414,708	403,928
Accumulated surplus, end of year	422,601	473,616	414,708

The accompanying notes are an integral part of these financial statements

Kenora Public Library
Statement of Change in Net Financial Assets
For the year ended December 31, 2022

	2022 Budget	2022	2021
Surplus	7,893	58,908	10,780
Acquisition of tangible capital assets	(56,138)	(73,478)	(50,505)
Amortization of tangible capital assets	48,245	48,245	45,067
Use of prepaid expenses	-	853	6,102
Increase in net financial assets	-	34,528	11,444
Net financial assets, beginning of year	292,922	292,922	281,478
Net financial assets, end of year	292,922	327,450	292,922

Kenora Public Library

Statement of Cash Flows

For the year ended December 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Surplus	58,908	10,780
Non-cash items		
Amortization	48,245	45,067
	107,153	55,847
Changes in working capital accounts		
Accounts receivable	115	12,951
Due from The Corporation of the City of Kenora	(12,840)	(20,335)
Accounts payable and accruals	4,297	663
Restricted cash	(998)	7,243
Deferred revenue	(1,688)	1,735
Future employee benefits	(30,983)	(4,888)
Prepaid expenses	853	6,102
	65,909	59,318
Capital activities		
Purchases of tangible capital assets	(73,478)	(50,505)
Investing activities		
Temporary investments	(385)	(14)
Increase (decrease) in cash resources	(7,954)	8,799
Cash resources, beginning of year	9,519	720
Cash resources, end of year	1,565	9,519

1. Operations

The Kenora Public Library (the "Library") is a municipal unincorporated organization controlled by the Corporation of the City of Kenora located in the Province of Ontario, and provides public library services to residents of the municipality. The Library is a registered charity under the Income Tax Act and accordingly is exempt from income taxes.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Cash

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Temporary investments

Temporary investments consist of investments in money market funds and are valued at the lower of cost and market value. Market value at December 31, 2022 was \$22,850 (2021 - \$22,465).

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives. One half of normal depreciation is taken in the year of acquisition.

Assets under construction are not amortized until the asset is available to be put into service.

	<i>Rate</i>
Books and movies	5 years
Equipment	10 years
Software	10 years

2. Significant accounting policies *(Continued from previous page)*

Long-lived assets

Long-lived assets consist of tangible capital assets with finite useful life. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Library determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Future employee benefits

The Library accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. Standards issued by Chartered Professional Accountants Canada with respect to accounting for employee future benefits require the company to accrue for its obligations under other employee benefits plans and related costs, net of plan assets.

The cost of other post-employment benefits offered to employees are actuarially determined using the projected benefit method, prorated on service and based on management's best estimates and assumptions. Under this method, the projected post-retirement benefit is deemed to be earned on a pro-rata basis over the years of service in the attribution period commencing at the date of hire, and ending at the earliest age the employee could retire and qualify for benefits.

Vested sick leave is accumulated to a maximum of 200 days, which vests and is payable at a rate of 50% to employees upon retirement. In the event an employee resigns, only 25% of the vested sick leave is paid out.

Deferred revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

Government transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

Revenue recognition

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when the monies are received.

Membership revenue is recognized when the term of the membership commences and the proceeds have been received.

Fines are recognized for each day that books and magazines are overdue.

General donations and fundraising revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sales of service and other revenues are recognized on an accrual basis.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Accounts payable and accruals are based on historical charges for unbilled goods and services at year-end. Liabilities for future employee benefits are determined based on actuarial assessments.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in expenses in the periods in which they become known.

Segments

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The Library's activities are in only one segment, recreation and culture, and hence there is no additional financial statement disclosure required.

Non financial assets

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations.

Net financial assets (net debt)

The Organization's financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the Organization is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

3. Restricted cash

	2022	2021
Capital Fundraising funds	5,629	4,803
Keewatin Donation funds	7,773	7,601
	13,402	12,404

4. Temporary Investments

The temporary investments are part of the capital replacement reserve and consist of investments in money market funds. Market value is equal to book value.

5. Related party transactions

Included in revenues is an operating grant of \$668,456 (2021 - \$645,520) from The Corporation of the City of Kenora. The balance owing by The Corporation of the City of Kenora to the Library at December 31, 2022 was \$555,745 (2021 - \$542,905).

The Corporation of the City of Kenora administers various services on behalf of the Library for no consideration.

The advances are unsecured and non-interest bearing with no fixed terms of repayment.

Kenora Public Library
Notes to the Financial Statements
For the year ended December 31, 2022

6. Accounts payable

	2022	2021
Sundry payables	32,806	30,449
OMERS	7,276	5,336
	40,082	35,785

7. Deferred Revenue

	2022	2021
Keewatin Donations		
Opening balance	7,601	7,559
Externally restricted investment income	172	42
Ending balance	7,773	7,601
Dolly Parton Imagination Library		
Opening balance	21,082	19,389
Contributions received	11,702	21,958
Revenue recognized	(13,562)	(20,265)
Ending balance	19,222	21,082
Teen advisory group		
Opening and Ending balance	1,203	1,203
	28,198	29,886

The Keewatin Donations Fund was established from funds provided in December 2009. The funds are to be used to offset costs associated with the purchase of books and materials, technology upgrades and other initiatives outside of day-to-day operating expenses at the Keewatin Branch Library.

The Dolly Parton Imagination Library deferred contributions represents funds to be used to offset costs associated with the Dolly Parton Imagination Library program.

The Teen Advisory Group deferred contributions represents funds to be used to offset costs associated with the Teen Advisory Group program.

8. Pension plan

The Library, through The Corporation of the City of Kenora, makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its staff. This plan is a defined contribution plan. The amount contributed to OMERS for 2022 was \$39,947 (2021 - \$37,274) and is included in salaries and benefits. For employees who have a normal retirement age of 65, contributions are 9% of employees' salary up to \$64,900 and 14.6% thereafter.

Because OMERS is a multi-employer pension plan, the Library does not recognize any share of the pension plan deficit of \$6 billion (2021 - deficit of \$69 million) based on the fair market value of the plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

Kenora Public Library
Notes to the Financial Statements
For the year ended December 31, 2022

9. Future employee benefits

The policies of the Kenora Public Library allow for the accumulation of vested sick leave to a maximum of 200 days for certain employees. On retirement 50% of the vested sick leave is payable to the employee, and on resignation 25% of the vested sick leave is payable to the employee. The amount reported represents the 50% payable on retirement.

The Kenora Public Library, through The Corporation of the City of Kenora, pays certain health and dental benefits on behalf of its retired employees. The Library recognizes these post-retirement costs in the period in which the employees rendered the services. As well, the Library provides for the accumulation of unused sick days to be banked.

Information about the Kenora Public Library's future employee benefits is as follows:

	2022	2021
Vested sick leave		
Liability as at December 31	69,654	69,061
Post-retirement and sick leave benefits		
Accrued benefit liability at January 1	162,064	169,253
Actuarial adjustment to opening balance	(40,984)	(11,986)
Expense for the year as determined by actuarial valuation using a 2.20% (2021 - 1.40%) discount rate	9,408	10,084
Adjustment for actual costs for retirees	-	(5,287)
	130,488	162,064
	200,142	231,125

The accrued benefit liability for post-retirement benefits as at December 31, 2022 is based on an actuarial valuation prepared as at December 31, 2022. The main actuarial assumptions employed for the valuation of post-retirement benefits are as follows:

a) Interest (discount) rate:

The obligations as at December 31, 2022 of the present value of future liabilities and the expense for the 12 months ended December 31, 2022 were determined using a discount rate of 2.20%.

b) Medical costs:

Medical costs were assumed to increase 5.27% per year to 2026 and between 3.57% and 5.16% per year thereafter.

c) Dental costs:

Dental costs were assumed to increase 5.00% per year to 2026 and between 3.57% and 4.95% per year thereafter.

d) Salary and wage rates:

Salary and wage rates were assumed to increase at 1.50% per year to 2022 and 2.50% per year thereafter.

10. Commitments

The Library has entered into the following long-term commitments:

- Office equipment lease with annual payments of \$2,326 to September 2026.
- Lease agreement with Firefly where the Library is committed to providing a designated space for operations and access to the building in exchange for monthly payments plus GST/HST starting January 2020 until January 1, 2025. The annual payments under the agreement in each of the next two years are as follows:

2023	13,642
2024	13,846

Kenora Public Library
Notes to the Financial Statements

For the year ended December 31, 2022

11. Tangible Capital Assets

	Opening Cost	Additions	Disposals	Ending Cost	Opening Accumulated Amortization	Amortization	Adjustment on Disposal	Ending Accumulated Amortization	2022 Net book value
Books & movies	242,209	45,065	29,220	258,054	137,352	42,803	29,221	150,934	107,120
Equipment	67,964	11,073	19,059	59,978	60,248	4,200	19,058	45,390	14,588
Website	7,500	17,340	-	24,840	-	1,242	-	1,242	23,598
	317,673	73,478	48,279	342,872	197,600	48,245	48,279	197,566	145,306

	Opening Cost	Additions	Disposals	Ending Cost	Opening Accumulated Amortization	Amortization	Adjustment on Disposal	Ending Accumulated Amortization	2021 Net book value
Books & movies	599,192	43,005	399,988	242,209	496,120	41,220	399,988	137,352	104,857
Equipment	67,964	-	-	67,964	56,400	3,848	-	60,248	7,716
Website	-	7,500	-	7,500	-	-	-	-	7,500
	667,156	50,505	399,988	317,673	552,520	45,067	399,988	197,600	120,073

Kenora Public Library
Notes to the Financial Statements
For the year ended December 31, 2022

12. Accumulated surplus

The investment in tangible capital assets represents amounts already spent and invested in collections and other non-financial assets.

The General Fund reports the Library's day-to-day operating activities and unrestricted funds.

Restricted funds represent funds set aside by Board resolution for specific purposes. The following is a description of the Library's restricted funds:

The capital replacement fund was established specifically for the purchase of capital assets. The use of its surplus is restricted to expenditures of this nature and is subject to Board approval.

Activities in these funds during the year were as follows:

	2022	2021
Invested in Capital Assets		
Fund balance, beginning of year	120,073	114,633
Capital (net)	25,233	5,440
Fund balance, end of year	145,306	120,073
General		
Fund balance, beginning of year	267,370	254,760
Excess of revenue (expenses)	60,702	18,329
Transfer from Capital Replacement	-	7,500
Change in Capital Assets	(25,233)	(5,440)
Transfer to Kenora & Lake of the Woods Regional Community Foundation (Note 14)	(3,006)	(7,779)
Fund balance, end of year	299,833	267,370
Capital Replacement		
Fund balance, beginning of year	27,265	34,536
Excess of revenue (expenses)	1,212	229
Transfer to General	-	(7,500)
Fund balance, end of year	28,477	27,265
Accumulated Surplus	473,616	414,708

13. Economic dependence

Approximately 86% (2021 - 86%) of revenue was received from The Corporation of the City of Kenora. The continuance of operations is dependent upon this funding.

Kenora Public Library
Notes to the Financial Statements
For the year ended December 31, 2022

14. Kenora & Lake of the Woods Regional Community Foundation

The Library has established a charitable agency endowment fund from donation funds with the Kenora & Lake of the Woods Regional Community Foundation, which allows the Library to set up a fund without the responsibility of investment management. In 2009, a bequest of \$25,000 was matched by an anonymous donor to create the \$50,000 fund. Income from this endowment fund will continue in perpetuity and will be used by the Library as an annualized source of program funding. The fund is not controlled by the Kenora Public Library and has not been included in the statement of financial position nor have the operations been included in the statement of operations. The market value of the fund on December 31, 2022 was \$103,208, (2021 - \$115,313), including donations of \$9,024 (2021 - \$2,950) deposited to the fund during the year plus fund loss of \$14,630 (2021 - gain \$13,084), grants of \$5,212 (2021 - \$5,075), and fees of \$1,286 (2021 - \$2,028). During the year the Library made a contribution of \$3,006 (2021 - \$7,779), which was received by the Community Foundation subsequent to year end.

15. Budget information

The budget approved by the board of directors was not prepared on a basis consistent with that used to report actual results (Public sector accounting standards). The budget was prepared on a modified accrual basis while Public sector accounting standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the budgets approved by the board with adjustments as follows:

	2022	2021
Budget surplus (deficit) approved by the Board	-	(12,431)
Add: Capital expenditures	56,138	43,004
Less: Amortization	(48,245)	(45,067)
	7,893	(14,494)