



Oxford County Library Board Financial Statements
December 31, 2023

Oxford County Library Board

Statement of Financial Position

As at December 31, 2023 (comparative balances as at December 31, 2022)

	<u>2023</u>	<u>2022</u>
Financial assets		
Cash	\$1,350,245	\$524,403
Accounts receivable	18,971	15,752
Due from the County of Oxford	975,106	2,330,226
	<u>2,344,322</u>	<u>2,870,381</u>
Liabilities		
Accounts payable and accrued liabilities	165,259	348,526
Deferred revenue (Note 2)	702,968	709,438
Net long term liabilities (Note 3)	-	83,500
	<u>868,227</u>	<u>1,141,464</u>
Net financial assets	<u>1,476,095</u>	<u>1,728,917</u>
Non financial assets		
Tangible capital assets (Schedule 1)	4,260,178	4,497,337
Inventory	10,765	6,540
	<u>4,270,943</u>	<u>4,503,877</u>
Accumulated surplus (Note 4)	<u>\$5,747,038</u>	<u>\$6,232,794</u>

The accompanying notes are an integral part of these financial statements.

Oxford County Library Board
Statement of Operations and Accumulated Surplus

For the year ended December 31, 2023 (comparative figures for year ended December 31, 2022)

	Budget 2023	Actual 2023	Actual 2022
	(Note 5)		
Revenues			
Property taxes	\$4,288,199	\$4,288,199	\$4,061,003
User fees and charges	17,200	52,091	33,839
Government transfer -Safe Federal Restart	-	-	5,898
Government transfer -Provincial	138,904	138,904	138,904
Government transfer -Other	-	34,600	5,541
Investment income	-	38,030	18,017
Development charges	157,160	157,160	187,450
Donations	-	13,049	8,267
	<u>4,601,463</u>	<u>4,722,033</u>	<u>4,458,919</u>
Expenses			
Salaries, wages and benefits	2,831,380	2,761,460	2,437,878
Materials and supplies	513,087	601,227	459,882
Contracted services	25,000	37,377	35,986
Rents and financial expenses	15,000	-	-
Interfunctional transfers	1,342,521	1,384,745	1,086,947
Interest on long term debt	1,230	1,230	4,541
Amortization	422,646	421,750	412,723
	<u>5,150,864</u>	<u>5,207,789</u>	<u>4,437,957</u>
Excess revenues over expenses (expenses over revenues) before other	(549,401)	(485,756)	20,962
Other expenses			
Loss on disposal of capital assets	-	-	(72,290)
Excess (expenses over revenues)	(549,401)	(485,756)	(51,328)
Accumulated surplus, beginning of year	<u>6,232,794</u>	<u>6,232,794</u>	<u>6,284,122</u>
Accumulated surplus, end of year	<u>\$5,683,393</u>	<u>\$5,747,038</u>	<u>\$6,232,794</u>

The accompanying notes are an integral part of these financial statements.

Oxford County Library Board

Statement of Change in Net Financial Assets (Liabilities)

For the year ended December 31, 2023 (comparative figures for year ended December 31, 2022)

	Budget 2023	Actual 2023	Actual 2022
Excess (expenses over revenues)	\$(549,401)	\$(485,756)	\$(51,328)
Acquisition of tangible capital assets	(274,400)	(184,591)	(600,767)
Amortization of tangible capital assets	422,646	421,750	412,723
Loss on sale of tangible capital assets	-	-	72,290
Decrease (increase) in inventory	-	(4,225)	5,071
Decrease (increase) in capital work in progress	-	-	191,680
Increase (decrease) in net financial assets	(401,155)	(252,822)	29,669
Net financial assets, beginning of year	1,728,917	1,728,917	1,699,248
Net financial assets, end of year	\$1,327,762	\$1,476,095	\$1,728,917

The accompanying notes are an integral part of these financial statements.

Oxford County Library Board

Statement of Cash Flows

For the year ended December 31, 2023 (comparative figures for year ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Operating activities		
Excess (expenses over revenues)	\$(485,756)	\$(51,328)
Non-cash changes to operations		
Amortization of tangible capital assets	421,750	412,723
Loss on disposal of capital assets	-	72,290
Changes in non-cash operating balances		
Accounts receivable	(3,219)	4,169
Due from Oxford County	1,355,120	15,266
Accounts payable and accrued liabilities	(183,267)	(22,041)
Deferred revenue	(6,470)	81,031
Inventory	(4,225)	5,071
Net change in cash from operating	<u>1,093,933</u>	<u>517,181</u>
Capital activities		
Acquisition of tangible capital assets	(184,591)	(600,767)
Decrease in capital work in progress	-	191,680
Net change in cash from capital	<u>(184,591)</u>	<u>(409,087)</u>
Financing activities		
Long term debt principal repayments	(83,500)	(110,479)
Net change in cash from financing	<u>(83,500)</u>	<u>(110,479)</u>
Increase (decrease) in cash	825,842	(2,385)
Cash, beginning of year	<u>524,403</u>	<u>526,788</u>
Cash, end of year	<u>\$1,350,245</u>	<u>\$524,403</u>

The accompanying notes are an integral part of these financial statements.

1. Significant Accounting Policies

Management's Responsibility for the Financial Statements

The financial statements of the Oxford County Library Board are the representation of management in accordance with accounting policies as recommended by the Public Sector Accounting Board. The preparation of financial statements in conformity with Canadian public sector accounting standards established by the Public Sector Accounting Board "PSAB" of the Chartered Professional Accountants "CPA" Canada 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 management's best estimates as additional information becomes available in the future.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees, and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land Improvements	30 to 40 years
Buildings	35 years
Furnishings and fixtures	10 years
Library books	7 years
Machinery and equipment	10 years

Assets under construction are not amortized until the asset is available for use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

Government Transfer

Government transfers from the province or federal government 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

Revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Taxation revenues are recognized when the tax is authorized and the taxable event has occurred.

Oxford County Library Board
Notes to the Financial Statements
December 31, 2023

Deferred Revenue

In accordance with PSAB requirements, obligatory reserve funds are reported as a component of deferred revenue. Development charge collections have been segregated, as required by the Development Charges Act, to finance a portion of the cost of growth-related capital projects. Revenue recognition occurs when the library has incurred the expenditure for which the development charges were collected.

Revenues received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general library purposes are accounted for as deferred revenue. The revenue is recognized in the year in which it is used for the specified purpose.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, determines the change in net financial liabilities for the year.

2. Deferred Revenue

The deferred revenue balance is comprised of the following:

	<u>2023</u>	<u>2022</u>
Development charges	\$ 523,001	\$ 497,245
Donations	179,967	212,193
	<u>\$ 702,968</u>	<u>\$ 709,438</u>

3. Net Long Term Liabilities

(a) The balance of long term liabilities reported on the Statement of Financial Position is made up of the following:

	<u>2023</u>	<u>2022</u>
Total long term liabilities incurred on behalf of the Oxford County Library at a rate of interest of -% (2022 - 3.22%) with maturity date of September 2023	\$ -	\$ 83,500

(b) The net interest expense for the year ended December 31, 2023 was \$1,230 (2022 - \$4,541).

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Notes to the Financial Statements
December 31, 2023

4. Accumulated Surplus

	<u>2023</u>	<u>2022</u>
Surpluses		
Operating fund	\$ 109,466	\$ 88,406
Invested in tangible capital assets	4,260,178	4,413,837
	<u>4,369,644</u>	<u>4,502,243</u>
 Reserves		
Library	<u>1,377,394</u>	<u>1,730,551</u>
	<u>\$ 5,747,038</u>	<u>\$ 6,232,794</u>

5. Budget

The Financial Plan (Budget) By-Law adopted by Council on January 25, 2023 was prepared on a modified accrual basis consistent with the requirements of Section 289 of the Ontario Municipal Act, 2001. The 2023 actuals are reported on a full accrual basis which includes; amortization of, gains and losses on disposal of and certain revenues related to, capital assets, but excludes debt repayment, capital asset costs and transfers of accumulated surplus. This is consistent with the Public Sector Accounting Standard. As a result, the budget figures presented in the Statement of Operations and Accumulated Surplus represent the Financial Plan adopted by Council on January 25, 2023 with adjustments as follows:

	<u>2023</u>
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Tangible capital assets	274,400
Debt principal repayment	83,500
Less:	
Amortization	422,646
Transfers from accumulated surplus	<u>475,655</u>
	<u>\$ (540,401)</u>

Oxford County Library Board
Schedule of Tangible Capital Assets
As at December 31, 2023

Schedule 1

	Cost			Cost	Accumulated			Accumulated	Net
	Dec 31, 2022	Additions	Disposals	Dec 31, 2023	Amortization	Amortization	Disposals	Dec 31, 2023	Book Value
					Dec 31, 2022				Dec 31, 2023
General									
Land improvements	519,948	-	-	519,948	210,341	15,450	-	225,791	294,157
Buildings	5,391,248	-	-	5,391,248	2,092,918	166,843	-	2,259,761	3,131,487
Furniture and fixtures	2,187,711	20,577	18,506	2,189,782	2,118,782	32,335	18,506	2,132,611	57,171
Machinery and equipment	58,666	-	-	58,666	16,210	5,004	-	21,214	37,452
Library books	1,414,829	164,014	237,103	1,341,740	636,814	202,118	237,103	601,829	739,911
Total Tangible Capital Assets	\$9,572,402	\$184,591	\$255,609	\$9,501,384	\$5,075,065	\$421,750	\$255,609	\$5,241,206	\$4,260,178