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Financial statements of  
Town of Newmarket  
Public Library Board

December 31, 2018

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## Independent Auditor's Report

To the Chair and Members of the Town of Newmarket Public Library Board, and the Mayor and Members of Council of the Corporation of the Town of Newmarket

### Opinion

We have audited the financial statements of Town of Newmarket Public Library (the "Library"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations and accumulated surplus, change 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2018, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Library 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 opinion.

### 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 Library'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 Library or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library'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 GAAS 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 GAAS, 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 Library'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 Library'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 Library 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.

(To be signed Deloitte LLP)

Chartered Professional Accountants  
Licensed Public Accountants  
\_\_\_\_\_, 2019

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Statement of Financial Position

As at December 31, 2018

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|   | 2018               | 2017               |
|---|--------------------|--------------------|
| <b>Financial Assets</b>                     |                    |                    |
| Cash and cash equivalents                   | \$91,308           | \$20,300           |
| Accounts receivable                         | 10,636             | 10,598             |
| Due from Town of Newmarket (Note 3)         | 684,251            | 550,470            |
|   | <b>786,195</b>     | <b>581,368</b>     |
| <b>Liabilities</b>                          |                    |                    |
| Due to Other Groups (Note 4)                | 21,856             | 20,635             |
| Accounts payable and accrued liabilities    | 212,108            | 106,445            |
| Deferred revenue (Note 5)                   | 737                | 3,283              |
| Employee future benefits liability (Note 6) | 53,910             | 51,910             |
|   | <b>288,611</b>     | <b>182,273</b>     |
| <b>Net Financial Assets</b>                 | <b>497,584</b>     | <b>399,095</b>     |
| <b>Non-Financial Assets</b>                 |                    |                    |
| Prepaid expenses                            | 45,186             | 89,592             |
| Tangible capital assets, net (Note 13)      | 1,133,481          | 1,099,754          |
|   | <b>1,178,667</b>   | <b>1,189,346</b>   |
| <b>Accumulated Surplus</b>                  | <b>\$1,676,251</b> | <b>\$1,588,441</b> |

### APPROVED BY THE BOARD

.....  
Board Chair: Darcy McNeill

.....  
Board Secretary / Treasurer: Todd Kyle

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Statement of Operations

Year ended December 31, 2018

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|  | 2018               |                    | 2017               |
|--|--------------------|--------------------|--------------------|
|  | Budget             | Actual             | Actual             |
| <b>REVENUES</b>  |                    |                    |                    |
| Municipal operating grant  | \$3,182,452        | \$3,182,452        | \$3,107,452        |
| Municipal Contributions towards tangible capital assets (Note 8) | -                  | 275,422            | 151,075            |
| Provincial grants  | 64,401             | 67,824             | 78,640             |
| Other grants   | -                  | -                  | -                  |
| Federal grants   | -                  | 4,614              | 3,078              |
| Fines  | 39,247             | 27,545             | 32,113             |
| Program fees   | 44,700             | 23,291             | 27,765             |
| Financed from development charges (Note 9)                       | 125,000            | 125,000            | 125,000            |
| Financed from reserves (not funds)                               | -                  | -                  | -                  |
| Other fees and miscellaneous revenues                            | 65,842             | 87,065             | 89,595             |
|  | <b>3,521,642</b>   | <b>3,793,213</b>   | <b>3,614,718</b>   |
| <b>EXPENSES</b>  |                    |                    |                    |
| Library materials  |                    |                    |                    |
| Books  | 166,364            | -                  | -                  |
| Magazines, newspapers and periodicals                            | 13,200             | 10,106             | 13,682             |
| Electronic materials and subscriptions                           | 126,065            | 129,844            | 127,418            |
| Audio-visual materials   | 28,600             | -                  | -                  |
| Book binding and processing                                      | 30,471             | 25,753             | 24,695             |
| Amortization expense   | -                  | 313,653            | 326,172            |
|  | <b>364,700</b>     | <b>479,356</b>     | <b>491,967</b>     |
| Operations   |                    |                    |                    |
| Programs and projects  | 36,898             | 23,921             | 24,191             |
| Other supplies   | 17,800             | 16,419             | 21,667             |
| Building and property maintenance                                | 73,473             | 151,363            | 79,012             |
| Utilities  | 103,597            | 90,908             | 102,921            |
| Equipment repairs and maintenance                                | 89,499             | 108,002            | 117,955            |
| Minor capital from operations                                    | 4,156              | 22,584             | 10,279             |
|  | <b>325,423</b>     | <b>413,197</b>     | <b>356,025</b>     |
| Administration   |                    |                    |                    |
| Employee salaries  | 2,026,056          | 2,041,366          | 1,940,339          |
| Employee benefits  | 433,932            | 358,673            | 339,847            |
| Education, conferences, consulting and travel                    | 44,450             | 28,177             | 49,119             |
| Other sundry expenses  | 50,825             | 45,370             | 47,682             |
| Telephone and internet   | 10,150             | 7,745              | 9,224              |
|  | <b>2,565,413</b>   | <b>2,481,331</b>   | <b>2,386,211</b>   |
|  | <b>3,255,536</b>   | <b>3,373,884</b>   | <b>3,234,203</b>   |
| Transfers and other  |                    |                    |                    |
| Fund for future capital replacements (Note 7)                    | (223,550)          | (223,550)          | (223,550)          |
| Fund for future minor capital replacements (Note 9)              | -                  | (20,000)           | -                  |
| Transfer to Long-term Disability Town of Newmarket Reserve       | (42,556)           | (42,372)           | (42,001)           |
| Fund for Strategic Plan Implementation Reserve (Note 10)         | -                  | -                  | (125,621)          |
| Transfer to Town of Newmarket Reserve (Note 11)                  | -                  | (45,597)           | -                  |
|  | <b>(266,106)</b>   | <b>(331,519)</b>   | <b>(391,172)</b>   |
| <b>Annual (deficit) surplus</b>                                  | <b>-</b>           | <b>87,810</b>      | <b>(10,657)</b>    |
| Opening Accumulated Surplus                                      | 1,588,441          | 1,588,441          | 1,599,098          |
| <b>Ending Accumulated Surplus</b>                                | <b>\$1,588,441</b> | <b>\$1,676,251</b> | <b>\$1,588,441</b> |

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Statement of Cash Flows

Year ended December 31, 2018

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|   | 2018            | 2017            |
|---|-----------------|-----------------|
| Increase (decrease) in cash and cash equivalents        |                 |                 |
| <b>Operating Activities</b>                             |                 |                 |
| Annual (deficit) surplus                                | \$87,810        | (\$10,657)      |
| Amortization of tangible capital assets                 | 313,653         | 326,172         |
| <u>Changes in non-cash operating items</u>              |                 |                 |
| Accounts receivable                                     | (38)            | (5,423)         |
| Inventory- York Region Transit tickets/passes           | -               | 10,172          |
| Due from Town of Newmarket                              | (133,781)       | (46,820)        |
| Due to Other Groups                                     | 1,221           | 457             |
| Accounts payable and accrued liabilities                | 105,663         | 28,285          |
| Deferred revenue  | (2,546)         | 626             |
| Employee future benefits liability                      | 2,000           | 1,540           |
| Prepaid expenses  | 44,406          | (12,956)        |
|   | <b>418,388</b>  | <b>291,396</b>  |
| <b>Capital Activity</b>                                 |                 |                 |
| Acquisitions of tangible capital assets                 | (347,380)       | (260,135)       |
| <b>Increase (decrease) in cash and cash equivalents</b> | <b>71,008</b>   | <b>(10,683)</b> |
| Cash and cash equivalents, beginning of year            | 20,300          | 30,983          |
| <b>Cash and cash equivalents, end of year</b>           | <b>\$91,308</b> | <b>\$20,300</b> |
| <b>Cash and cash equivalents is comprised of:</b>       |                 |                 |
| Cash balances   | \$91,308        | \$20,300        |
| Short-term deposits                                     | -               | -               |
|   | <b>\$91,308</b> | <b>\$20,300</b> |

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Statement of Change in Net Financial Assets

Year ended December 31, 2018

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|   | 2018      |           | 2017       |
|---|-----------|-----------|------------|
|   | Budget    | Actual    | Actual     |
| Annual (deficit) surplus                | \$ -      | \$87,810  | (\$10,657) |
| Acquisition of tangible capital assets  | (438,375) | (347,380) | (302,079)  |
| Amortization of tangible capital assets | 329,210   | 313,653   | 326,172    |
|   | (109,165) | 54,083    | 13,436     |
| Change in prepaid expenses              | -         | 44,406    | (12,956)   |
| Change in net financial assets          | (109,165) | 98,489    | 480        |
| Net financial assets, beginning of year | 399,095   | 399,095   | 398,615    |
| Net financial assets, end of the year   | \$289,930 | \$497,584 | \$399,095  |

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Notes to the Financial Statements

Year ended December 31, 2018

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### 1. NATURE OF OPERATIONS

The Town of Newmarket Public Library Board (the "Library") is a local board of the Corporation of the Town of Newmarket (the "Town") deemed to be a public library established under the Public Libraries Act. The Library Board is not subject to income taxes under Section 149(1) of the Income Tax Act (Canada).

### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Library are the representation of management prepared in accordance with Canadian Public Sector accounting standards established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

Significant accounting policies adopted by the Library are as follows:

#### (a) *Basis of accounting*

Revenues and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable.

Expenses are recognized, as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (b) *Tangible capital assets*

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of an asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

|                    |             |
|--------------------|-------------|
| Library collection | 7 years     |
| Equipment          | 8-10 years  |
| Furniture          | 15 years    |
| Shelving           | 15-25 years |
| Computer hardware  | 3-4 years   |

Tangible capital assets are amortized in the month following the purchase or in-service date. One half of the annual amortization is charged in the year of acquisition for pooled assets. The tangible capital asset threshold amount for capitalization is pooled at \$10,000.

#### (c) *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.

#### (d) *Revenue Recognition*

Government transfers are recognized in the financial statements as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recorded as deferred revenue when transfer stipulations give rise to a liability. Revenue is recognized in the statement of operations as stipulations related to the transfers are settled.

Fines are recognized when collected.

Fees for programs and services are recognized over the period of service or when related expenditures occur.

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Notes to the Financial Statements

Year ended December 31, 2018

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (e) *Deferred revenue*

Deferred revenues represent amounts which have been collected but, for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

#### (f) *Use of estimates*

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 revenues and expenses during the year. The principle estimates used in the preparation of these financial statements include the useful life and valuation of tangible capital assets. Actual results could differ from these estimates.

#### (g) *Cash and cash equivalents*

Cash and cash equivalents include cash on hand, balances with the bank, net of overdrafts and short term deposits with maturities of three months or less.

#### (h) *Pension Plan*

The Library makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan on behalf of eligible members of its staff. The OMERS Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of the benefits. The Library has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Library records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

### 3. DUE FROM TOWN OF NEWMARKET

The amount receivable from the Town of Newmarket is non-interest bearing and has no set terms of repayment.

### 4. DUE TO OTHER GROUPS

The Library partners with other parties and as part of the agreements holds the balance of funds and records the partnership as a liability at year end on the Library's audited financial statements.

### 5. DEFERRED REVENUE

Deferred revenue consists of the following:

|  | 2018   | 2017     |
|--|--------|----------|
| Program fees, room rental fees, provincial grant and endowment | \$ 737 | \$ 3,283 |

### 6. EMPLOYEE FUTURE BENEFITS LIABILITY

The Library provides vacation pay benefits that will require funding in future periods. Employees may become entitled to a cash payment when they leave the Library's employment. An estimate of employee future benefits was completed at December 31, 2018 and forms the basis for estimated employee future benefits liability reported in these financial statements.

|                        | 2018      | 2017      |
|------------------------|-----------|-----------|
| Vacation pay liability | \$ 53,910 | \$ 51,910 |

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Notes to the Financial Statements

Year ended December 31, 2018

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### 7. RESERVE FUND FOR FUTURE CAPITAL REPLACEMENTS

The reserve fund, held by the Town of Newmarket on behalf of the Town of Newmarket Public Library Board, is designated for future Library capital expenses.

Changes during the year were as follows:

|   | <u>2018</u>         | <u>2017</u>         |
|---|---------------------|---------------------|
| Balance, beginning of year              | \$ 1,165,609        | \$ 1,076,195        |
| Interest earned                         | 10,474              | 16,939              |
| Transfer from Operating Fund            | 223,550             | 223,550             |
| Capital expenditures - Library purposes | (275,422)           | (151,075)           |
| Balance, end of year                    | <u>\$ 1,124,211</u> | <u>\$ 1,165,609</u> |

### 8. UNEXPENDED CAPITAL FUND

The following fund, held by the Town of Newmarket on behalf of the Town of Newmarket Public Library Board, have been designated by the Town Council for future Library capital expenses:

|                                      | <u>2018</u>         | <u>2017</u>         |
|--------------------------------------|---------------------|---------------------|
| Balance, beginning of year           | \$ 951,616          | \$ 1,164,691        |
| New capital allocations for the year | 58,200              | 118,800             |
| Transferred to Town of Newmarket     | -                   | (180,800)           |
| Rounding Adj.                        | 1                   | 0                   |
| Total Capital Budget                 | <u>\$ 1,009,817</u> | <u>\$ 1,102,691</u> |
| Financing expenditures               | (275,422)           | (151,075)           |
| Balance, end of year                 | <u>\$ 734,395</u>   | <u>\$ 951,616</u>   |

### 9. OTHER RESERVE FUNDS

The following funds, held by the Town of Newmarket on behalf of the Town of Newmarket Public Library Board, have been designated by the Town Council for future Library expenses:

|  |                     |                     |
|--|---------------------|---------------------|
| <u>Development Charges</u>                         | <u>2018</u>         | <u>2017</u>         |
| Balance, beginning of year                         | \$ 2,674,134        | \$ 2,406,634        |
| Interest earned                                    | 24,275              | 38,145              |
| Developers contributions                           | 226,238             | 354,355             |
| Transfer to Operating Fund to finance expenditures | (125,000)           | (125,000)           |
| Balance, end of year                               | <u>\$ 2,799,647</u> | <u>\$ 2,674,134</u> |

|                                   |                  |                  |
|-----------------------------------|------------------|------------------|
| <u>Library Minor Capital Fund</u> | <u>2018</u>      | <u>2017</u>      |
| Balance, beginning of year        | \$ 30,627        | \$ 30,171        |
| Interest earned                   | 360              | 456              |
| Transfer from Reserve (Note 11)   | 20,000           | -                |
| Balance, end of year              | <u>\$ 50,987</u> | <u>\$ 30,627</u> |

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Notes to the Financial Statements

Year ended December 31, 2018

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### 10. OTHER RESERVES

| <u>Library Fundraising</u>                   | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------|
| Balance, beginning of year                   | \$ 9,247    | \$ 3,212    |
| Other contributions                          | 4,008       | 6,035       |
| Balance, end of year                         | \$ 13,255   | \$ 9,247    |
| <u>Strategic Planning</u>                    | <u>2018</u> | <u>2017</u> |
| Balance, beginning of year                   | \$ 1,257    | \$ 1,257    |
| Transfer from Operating Fund                 | -           | -           |
| Balance, end of year                         | \$ 1,257    | \$ 1,257    |
| <u>Insurance Reserve</u>                     | <u>2018</u> | <u>2017</u> |
| Balance, beginning of year                   | \$ 10,000   | \$ 10,000   |
| Transfer from Operating Fund                 | -           | -           |
| Balance, end of year                         | \$ 10,000   | \$ 10,000   |
| <u>Strategic Plan Implementation Reserve</u> | <u>2018</u> | <u>2017</u> |
| Balance, beginning of year                   | \$ 167,642  | \$ 42,021   |
| Transfer from Reserve                        | -           | 125,621     |
| Balance, end of year                         | \$ 167,642  | \$ 167,642  |

### 11. GENERAL RESERVE

The Town of Newmarket Public Library Board set a target level of \$400,000 for the General Reserves for the Library held by the Town of Newmarket and once achieved any surplus is to be returned to the Town after Library Board approval of audited financial statements, per motion 15.11.69. In 2018, the 2017 operating surplus (\$140,597) was partially transferred to the Minor Capital Fund (\$20,000) and (\$45,597) transferred to the Town of Newmarket. The balance of the surplus (\$75,000) remained in the Reserve for carpet replacement as per Library Board motion 18.03.273. In 2017, \$125,621 (2016 balance above target) was transferred to the Strategic Plan Implementation Fund Reserve.

| <u>General Reserve</u>                | <u>2018</u> | <u>2017</u> |
|---------------------------------------|-------------|-------------|
| Opening Balance                       | \$ 540,597  | \$ 525,621  |
| Transfer from Operating Fund          | 121,678     | 140,597     |
| Transfer to Town of Newmarket Reserve | (45,597)    | (125,621)   |
| Transfer to Other Reserves            | (20,000)    | -           |
| Closing Balance                       | \$ 596,678  | \$ 540,597  |

### 12. PENSION AGREEMENTS

The Library makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent, full-time members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of credited service and average earnings. No past service liability exists. During the year, \$145,647 (2017: \$143,461) was recorded as an operating expense of the Library.

# TOWN OF NEWMARKET PUBLIC LIBRARY BOARD

## Notes to the Financial Statements

Year ended December 31, 2018

### 13. TANGIBLE CAPITAL ASSETS

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| <b>2018</b>  |                       |                 |                  |                 |                      |                    |
|--|-----------------------|-----------------|------------------|-----------------|----------------------|--------------------|
|  | Library<br>Collection | Furniture       | Equipment        | Shelving        | Computer<br>Hardware | Total              |
| <b>Cost</b>  |                       |                 |                  |                 |                      |                    |
| Balance, beginning of year                           | \$1,693,070           | \$114,023       | \$401,726        | \$144,481       | \$261,756            | \$2,615,056        |
| Add: Additions during the year                       | 186,529               | -               | 61,722           | -               | 99,129               | 347,380            |
| Less: Disposals during the year                      | (221,478)             | -               | (23,567)         | -               | (43,411)             | (288,456)          |
| Balance, end of year                                 | 1,658,121             | 114,023         | 439,881          | 144,481         | 317,474              | 2,673,980          |
| <b>Accumulated amortization</b>                      |                       |                 |                  |                 |                      |                    |
| Balance, beginning of year                           | 979,143               | 49,854          | 242,988          | 113,697         | 129,620              | 1,515,302          |
| Add: Amortization during the year                    | 206,856               | 7,601           | 36,777           | 6,341           | 56,078               | 313,653            |
| Less: Amortization on Disposals                      | (221,478)             | -               | (23,567)         | -               | (43,411)             | (288,456)          |
| Balance, end of year                                 | 964,521               | 57,455          | 256,198          | 120,038         | 142,287              | 1,540,499          |
| <b>Net book value of<br/>Tangible Capital Assets</b> | <b>\$693,600</b>      | <b>\$56,568</b> | <b>\$183,683</b> | <b>\$24,443</b> | <b>\$175,188</b>     | <b>\$1,133,481</b> |

  

| <b>2017</b>  |                       |                 |                  |                 |                      |                    |
|--|-----------------------|-----------------|------------------|-----------------|----------------------|--------------------|
|  | Library<br>Collection | Furniture       | Equipment        | Shelving        | Computer<br>Hardware | Total              |
| <b>Cost</b>  |                       |                 |                  |                 |                      |                    |
| Balance, beginning of year                           | \$1,737,903           | \$114,023       | \$397,947        | \$144,481       | \$228,827            | \$2,623,181        |
| Add: Additions during the year                       | 193,809               | -               | 19,000           | -               | 89,270               | 302,079            |
| Less: Disposals during the year                      | (238,642)             | -               | (15,221)         | -               | (56,341)             | (310,204)          |
| Balance, end of year                                 | 1,693,070             | 114,023         | 401,726          | 144,481         | 261,756              | 2,615,056          |
| <b>Accumulated amortization</b>                      |                       |                 |                  |                 |                      |                    |
| Balance, beginning of year                           | 1,005,581             | 42,252          | 210,539          | 107,356         | 133,606              | 1,499,334          |
| Add: Amortization during the year                    | 212,204               | 7,602           | 47,670           | 6,341           | 52,355               | 326,172            |
| Less: Amortization on Disposals                      | (238,642)             | -               | (15,221)         | -               | (56,341)             | (310,204)          |
| Balance, end of year                                 | 979,143               | 49,854          | 242,988          | 113,697         | 129,620              | 1,515,302          |
| <b>Net book value of<br/>Tangible Capital Assets</b> | <b>\$713,927</b>      | <b>\$64,169</b> | <b>\$158,738</b> | <b>\$30,784</b> | <b>\$132,136</b>     | <b>\$1,099,754</b> |

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