

**CITY OF LETHBRIDGE
PUBLIC LIBRARY**

**Statement of Revenues and Expenditures
For the Year Ended December 31, 2022**



KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To His Worship the Mayor and Members of Council of the City of Lethbridge.

Opinion

We have audited the financial statements of the City of Lethbridge Public Library ("the Library"), which comprise:

- the statement of revenues and expenditures as at December 31, 2022
- and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, the financial information in the statement of revenues and expenditures of the City of Lethbridge Public Library for the year ended December 31, 2022 is prepared, in all material respects, in accordance with the financial reporting guidance provided by Library Act of Alberta.

Basis for Opinion

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 auditor's 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 this statement in accordance with the financial reporting guidance provided by Library Act of Alberta and for such internal control as management determines is necessary to enable the preparation of the statement that is 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 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 the 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 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that underlines the text.

Chartered Professional Accountants

Lethbridge, Canada

April 18, 2023

City of Lethbridge Public Library
Statement of Revenues and Expenditures
For the Year Ended December 31, 2022

Regular Board Meeting
 May 10, 2023

Agenda Item: 5.1.3.3
 2021

	2022	BUDGET	
Revenues:		(unaudited)	
Amount Funded from General Taxation	\$ 6,646,141	\$ 6,646,141	\$ 6,504,127
Provincial Grants	537,395	537,395	537,395
Adult Literacy Grant	244,559	292,372	244,424
CARLS - Resource Sharing	90,000	90,000	90,000
General Revenue from Other Sources	78,079	64,008	81,829
Service Fees	35,490	22,000	13,328
Federal Grants	22,750	-	3,150
CARLS - Rural Service Bookmobile	17,592	18,415	18,477
	<u>7,672,006</u>	<u>7,670,331</u>	<u>7,492,730</u>
Expenditures:			
Wages and Benefits	4,815,850	4,899,152	4,632,493
CARLS Membership Fees	1,148,001	1,148,002	1,149,791
Information Technology - Hardware and Software	425,120	328,664	160,657
City Allocated Costs	390,000	390,000	381,600
Library Materials	326,540	338,358	330,622
Security	273,760	279,900	195,086
Equipment & Supplies	248,853	226,607	202,404
Special Services and Other	119,696	107,865	59,858
Insurance	91,700	91,700	87,800
Travel, Education and Convention	65,675	97,772	40,922
Vehicle Maintenance	43,964	42,600	41,652
Building Maintenance Service and Supplies	53,759	46,840	90,939
General Capital Levies	39,650	37,397	29,119
Advertising	10,046	17,132	13,319
Legal Fees	500	2,447	1,000
Recruitment Expense	85	4,895	170
	<u>8,053,199</u>	<u>8,059,331</u>	<u>7,417,432</u>
Excess of			
Revenues over Expenditures	(381,193)	(389,000)	75,298
Net Transfer From (To) Reserve	381,193	389,000	(75,298)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Craig Brown
 Chair

Brendan Cummins
 Finance Chair

City of Lethbridge Public Library
Notes to the Statement of Revenues and Expenditures
For the Year Ended December 31, 2022

Regular Board Meeting
May 10, 2023
Agenda Item: 5.1.3.3

1. SIGNIFICANT ACCOUNTING POLICIES:

The statement of revenues and expenditures of the City of Lethbridge Public Library are the representations of management prepared in accordance with Part 1 of the Province of Alberta Libraries Act dated September 1, 2019.

(a) Reporting entity:

The financial statements reflect the revenues and expenditures of the Library. This statement does not include any other revenues or expenditures of the City of Lethbridge.

(b) Basis of accounting:

Revenues are recognized in the year in which they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of goods or services and/or the creation of a legal obligation to pay. No provision for depreciation has been made in the Statement of Revenues and Expenditures.

(c) Government transfers:

Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the Library has met the eligibility criteria, and reasonable estimates of the amount can be made.

2. FUNDRAISING

As required under section 7(2) of the Charitable Fundraising Regulation of Alberta the following amounts are disclosed:

(a) Direct costs incurred for the purpose of soliciting contributions \$50.00.

(b) Gross contributions received \$156,779.37, including donations-in-kind.

(c) Amounts paid as remuneration to employees whose principal duties involved fundraising \$Nil.