



**ONTARIO LIBRARY ASSOCIATION**

**STATEMENT OF FINANCIAL POSITION**

AS AT DECEMBER 31, 1998

	GENERAL	RESTRICTED	TOTALS	
	FUND	FUNDS	1998	1997
	\$	\$	\$	\$
<b>Current Assets</b>				
Cash and equivalents	107,484	22	107,506	63,701
Accounts receivable	200,398	-	200,398	47,528
Inventory	23,572	-	23,572	26,478
Prepaid expenses - conference	66,015	-	66,015	77,185
- other	13,730	-	13,730	7,507
	<u>411,197</u>	<u>22</u>	<u>411,219</u>	<u>222,400</u>
Due from general fund (note 4)		161,485	161,485	153,832
<b>Capital Assets (note 5)</b>	<u>64,240</u>	<u>-</u>	<u>64,240</u>	<u>64,525</u>
	<u>475,437</u>	<u>161,507</u>	<u>636,944</u>	<u>439,757</u>
<b>Current Liabilities</b>				
Accounts payable and accruals	85,855	-	85,855	26,701
Deferred revenue - grant (note 6)	8,950	-	8,950	8,950
- conference	193,558	-	193,558	188,912
- contract	17,150	-	17,150	17,261
Due to director	-	-	-	21,732
	<u>305,514</u>	<u>-</u>	<u>305,514</u>	<u>263,561</u>
Due to restricted funds (note 4)	<u>161,485</u>	<u>-</u>	<u>161,485</u>	<u>153,832</u>
	<u>466,999</u>	<u>-</u>	<u>466,999</u>	<u>416,979</u>
<b>Fund balances</b>				
Unrestricted	8,438	-	8,438	(140,076)
Internally restricted	-	161,507	161,507	153,854
	<u>8,438</u>	<u>161,507</u>	<u>169,945</u>	<u>13,778</u>
	<u>475,437</u>	<u>161,507</u>	<u>636,944</u>	<u>439,757</u>

APPROVED ON BEHALF OF THE BOARD:

 Director  
 Director

# ONTARIO LIBRARY ASSOCIATION

## GENERAL FUND - SCHEDULE OF REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 1998

	OPERATING	CONFERENCE	CONTINUING	SALES	TOTALS	
	ACTIVITIES		EDUCATION	MATERIALS	1998	1997
	\$	\$	\$	\$	\$	\$
<b>Revenues</b>						
Membership fees	272,210	-	-	-	272,210	194,808
Contract administration	204,600	-	-	-	204,600	43,808
Registration fees	-	311,880	52,972	-	364,852	357,018
Publications & materials	-	-	-	67,617	67,617	47,802
Government grant (note 6)	38,800	-	-	-	38,800	38,059
Advertising & fund raising	12,387	-	-	-	12,387	379
Contributions (note 3)	9,295	33,653	4,232	-	47,180	52,347
	<u>484,292</u>	<u>345,533</u>	<u>57,204</u>	<u>67,617</u>	<u>954,726</u>	<u>733,265</u>
<b>Expenses</b>						
Salaries & benefits	230,243	-	-	-	230,243	202,198
honoraria & awards	4,899	37,930	7,770	-	49,599	41,038
Catering	3,993	24,393	11,808	-	44,194	40,930
Purchased services & materials	15,634	21,651	1,303	20,791	59,379	41,969
Travel, lodging & meals	31,747	19,547	4,948	-	56,242	37,561
Space rental & maintenance	40,487	43,367	1,835	-	85,689	78,139
Printing	86,542	10,861	8,379	2,973	108,765	48,455
Equipment rental & maintenance	32,046	21,859	3,789	-	57,694	51,851
Delivery	29,822	11,247	9,216	2,776	47,061	38,576
Supplies	7,731	9,598	6,304	10,018	33,651	27,667
Telephone	16,700	1,915	1,678	-	20,293	20,710
Professional fees	18,418	-	-	-	18,418	8,841
Amortization	16,606	-	-	-	16,606	13,632
Bank charges & interest	14,404	-	-	-	14,404	14,137
Organizational retreat	22,416	-	-	-	22,416	-
Legal support	4,000	-	-	-	4,000	-
	<u>519,685</u>	<u>192,816</u>	<u>87,805</u>	<u>36,786</u>	<u>836,262</u>	<u>663,024</u>
Excess (deficiency) of revenues over expenses	(35,203)	152,047	(901)	31,361	148,514	70,241

## ONTARIO LIBRARY ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1998

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#### 1. Status and nature of activities

The Ontario Library Association is incorporated without share capital under the laws of the Province of Ontario and qualifies as a non-profit organization under provisions of the Income Tax Act (Canada). Its purpose is to defend the democratic right of all individuals to free and equal access to information and to encourage the development and improvement of library services and programs throughout Ontario.

#### 2. Fund accounting

The general fund accounts for current operations and programs as well as the Association's administrative activities.

The Elizabeth Ann Cummings Memorial Lecture Fund accounts for a lecture event to advance the library profession. Restricted contributions and expenses for this purpose are reported in this fund.

The Margaret Scott Memorial Fund accounts for scholarships awarded to librarians for their attendance at continuing education, networking events and research. Restricted contributions and expenses for this purpose are reported in this fund.

The Grace Butler Scholarship Fund accounts for scholarships awarded to Ontario residents that would lead to the improvement of library services to special interest groups. Restricted contributions and expenses for this purpose are reported in the fund.

The Legal Defence Fund accounts for assistance provided to Ontario's libraries to obtain legal counsel on issues threatening programs and services in the province. Restricted contributions and expenses for this purpose are reported in this fund.

#### 3. Significant accounting policies

##### Revenue recognition

The Association follows the fund accounting method in which externally restricted contributions are recognized when they are received in the fund corresponding to the purpose for which they were donated. Unrestricted contributions and restricted contributions for the reduction of the deficit (\$2,699 (1997) - \$1,151) are recognized in the general fund when received.

**ONTARIO LIBRARY ASSOCIATION****NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1990****2. Significant accounting policies (continued)****Revenue recognition**

The Ontario operating grant is recognized as revenue of the general fund on the basis of the number of months of the Ontario Government's fiscal year falling within the association's fiscal period. Other special purpose grants are applied against the related expenses when the expenditures to which they relate have been incurred.

Membership fees, registration fees, contract administration fees and the sale of publications and materials are recognized as revenue of the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**Inventory**

Inventory is comprised of publications and items for resale and is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out basis.

**Capital assets**

Purchased capital assets are carried at the lower of cost less accumulated amortization and the estimated net recoverable amount in the general fund. Contributed capital assets are recorded in the general fund at management's estimate of fair value at the date of contribution. Amortization is provided over the related assets' estimated useful lives, using the following methods and annual rates:

Computer equipment & software	20% declining method
Office furniture & equipment	20% declining method
Leasehold improvements	Straight-line over the term of the lease

**Contributed services**

The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

## ONTARIO LIBRARY ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1998

#### 4. Interfund loans

Interfund loans bear interest at the bank prime rate plus 1% and are not governed by terms of repayment.

#### 5. Capital assets

	Cost	Accumulated amortization	Net book value 1998	Net book value 1997
	\$	\$	\$	\$
Office furniture & equipment	62,127	45,936	16,192	15,774
Computer equipment & software	143,743	99,327	44,416	38,751
Leasehold improvements	5,085	1,453	3,632	
	<u>210,955</u>	<u>146,716</u>	<u>64,240</u>	<u>54,525</u>

#### 6. Deferred revenue

The deferred portion of the operating grant which is recorded in the general fund represents funding to cover the operating expenses of the association for three months subsequent to year end. The following summarizes Ontario grant transactions for the period:

	1998	1997
	\$	\$
Balance, beginning of year	8,950	11,200
Add: operating grant received	35,800	36,800
Less: amount recognized as revenue in the year	<u>(35,800)</u>	<u>(38,050)</u>
Balance, end of year	<u>8,950</u>	<u>8,950</u>

Deferred conference revenue represents registration fees collected during the current fiscal year for the association's April conference held subsequent to year end and \$193,559 (1997 - \$198,813).

Deferred contract revenue represents the net of expenditures incurred in project management against recoveries received for projects continuing subsequent to year end - \$17,180 (1997 - \$17,251).

## ONTARIO LIBRARY ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1998

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7. **Lease commitment**

The association leases its office premises and is committed to the following minimum annual rental payments for the year ending December 31:

1999	\$10,245
2000	12,240
2001	8,250

8. **Comparative figures**

Certain of the comparative figures have been reclassified to conform with the method of presentation adopted for the current year. These changes have had no effect on operating results previously reported.