

Financial Statements of
**ONTARIO LIBRARY
ASSOCIATION**

Year Ended December 31, 2009

FINANCIAL STATEMENT INDEX

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AUDITOR'S REPORT

To the Members of:
Ontario Library Association

We have audited the statement of financial position of Ontario Library Association as at December 31, 2009 and the statements of general fund operations and changes in fund balance and restricted fund operations and changes in fund balance for the year then ended. These financial statements are the responsibility of the Association's Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Ontario Library Association as at December 31, 2009, as well as its operating results and changes in its fund balance for the year then ended in accordance with Canadian generally accepted accounting principles.

Harris & Chong LLP

HARRIS & CHONG LLP
Chartered Accountants
Licensed Public Accountants

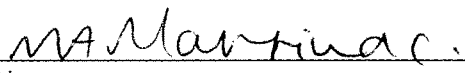
Toronto, Ontario
May 31, 2010

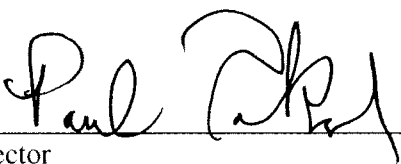
ONTARIO LIBRARY ASSOCIATION

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2009

	GENERAL FUND \$	RESTRICTED FUNDS \$	TOTAL 2009 \$	TOTAL 2008 \$ (Note 7)
ASSETS				
Current Assets				
Cash and equivalents	1,114,622	-	1,114,622	635,764
Accounts receivable	574,372	-	574,372	677,436
Loan receivable	-	-	-	70,000
Due from Knowledge Ontario	1,893	-	1,893	-
Inventory (Note 2)	52,934	-	52,934	62,898
Prepaid expenses - conference	140,102	-	140,102	247,240
- other	34,369	-	34,369	34,369
	1,918,292	-	1,918,292	1,727,707
Due from general fund	-	15,685	15,685	16,263
Capital assets (Notes 2, 3)	111,061	-	111,061	115,081
Investments (Note 4)	694,470	121,694	816,164	1,511,389
	2,723,823	137,379	2,861,202	3,370,440

APPROVED ON BEHALF OF THE BOARD:


 Director


 Director

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

ONTARIO LIBRARY ASSOCIATION

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2009

	GENERAL FUND \$	RESTRICTED FUNDS \$	TOTAL 2009 \$	TOTAL 2008 \$ (Note 7)
LIABILITIES				
Current Liabilities				
Accounts payable and accruals	894,912	-	894,912	776,420
Due to Knowledge Ontario	-	-	-	295
Due to CELPLO	271,363	-	271,363	651,615
Due to OHLA	1,777	-	1,777	1,804
Due to OALT	-	-	-	2,999
Deferred revenue (Note 2)				
- grant	8,950	-	8,950	8,950
- contract	-	-	-	162,500
- conference	600,977	-	600,977	762,020
	1,777,979	-	1,777,979	2,366,603
Due to restricted funds	15,685	-	15,685	16,263
	1,793,664	-	1,793,664	2,382,866
FUND BALANCES				
General Fund	930,159	-	930,159	855,733
Restricted Funds	-	137,379	137,379	131,841
	930,159	137,379	1,067,538	987,574
	2,723,823	137,379	2,861,202	3,370,440

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

ONTARIO LIBRARY ASSOCIATION

STATEMENT OF GENERAL FUND OPERATIONS AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2009

	2009	2008
	\$	\$
		(Note 7)
REVENUES (schedule)	2,655,504	2,830,085
EXPENSES (schedule)	2,581,078	2,716,567
EXCESS OF REVENUES OVER EXPENSES	74,426	113,518
Balance, beginning of year	855,733	742,215
BALANCE, END OF YEAR	930,159	855,733

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

ONTARIO LIBRARY ASSOCIATION

STATEMENT OF RESTRICTED FUND OPERATIONS AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED DECEMBER 31, 2009

	SCOTT FUND	BULLER FUND	BAKER FUND	SPECIAL FUND	LARRY MOORE FUND	AFRICA PROJECT	FLEMING FUND	TOTAL 2009	TOTAL 2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUES									
Contributions	200	-	-	-	883	150	-	1,233	16,466
Interest	1,043	26	1,690	38	890	430	188	4,305	4,021
	1,243	26	1,690	38	1,773	580	188	5,538	20,487
EXPENSES									
Disbursements	-	-	-	-	-	-	-	-	2,767
EXCESS OF REVENUES OVER EXPENSES	1,243	26	1,690	38	1,773	580	188	5,538	17,720
Balance, beginning of year	32,006	791	52,015	1,154	26,936	13,161	5,778	131,841	114,121
BALANCE, END OF YEAR	33,249	817	53,705	1,192	28,709	13,741	5,966	137,379	131,841

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

ONTARIO LIBRARY ASSOCIATION

**SCHEDULE OF REVENUES AND EXPENSES – GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2009**

	Operating Activities	Conference	Continuing Education	Sales Materials	Special Projects	Total 2009	Total 2008
	\$	\$	\$	\$	\$	\$	\$
(Note 7)							
REVENUES							
Membership	315,643	-	-	-	-	315,643	322,085
Contract administration	119,827	-	-	-	-	119,827	145,620
Registrations fees	-	986,015	69,912	-	173,658	1,229,585	1,277,037
Publications & materials	-	-	-	729,570	-	729,570	860,950
Government grants	88,425	-	-	-	-	88,425	78,610
Advertising & fund raising	-	19,811	48,888	-	-	68,699	12,610
Contributions (Note 2)	8,000	73,472	-	-	-	81,472	110,624
Interest	22,283	-	-	-	-	22,283	22,549
	554,178	1,079,298	118,800	729,570	173,658	2,655,504	2,830,085
EXPENSES							
Salaries & benefits	708,856	-	-	-	-	708,856	682,047
Honoraria & awards	26,289	69,753	18,239	-	24,445	138,726	205,234
Catering	10,621	27,710	9,915	-	7,751	55,997	149,914
Purchased services & materials	24,114	24,652	7,315	481,430	92,488	629,999	651,461
Travel, lodging & meals	50,631	50,831	1,525	1,325	19,088	123,400	176,768
Space rental & maintenance	100,260	185,062	-	-	1,250	286,572	224,569
Printing	62,389	48,738	89	3,475	31,410	146,101	114,820
Equipment rental & maintenance	22,300	59,804	966	2,094	-	85,164	99,077
Delivery	25,273	31,033	90	24,511	3,032	83,939	101,277
Supplies	11,957	17,382	2,688	-	7,226	39,253	56,020
Telephone	6,987	656	16,436	336	5,197	29,612	59,220
Professional fees	29,096	-	-	-	-	29,096	31,226
Special projects	-	-	-	-	42,371	42,371	-
Amortization	27,765	-	-	-	-	27,765	28,770
Bank charges/credit card fees/foreign exchange	40,231	-	-	-	-	40,231	34,274
Commission and contract expenses	21,020	67,536	11,155	498	13,787	113,996	101,890
	1,167,789	583,157	68,418	513,669	248,045	2,581,078	2,716,567
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUE)	(613,611)	496,141	50,382	215,901	(74,387)	74,426	113,518

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

ONTARIO LIBRARY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

1. Status and nature of activities

The Ontario Library Association (“OLA”) is incorporated without share capital under the laws of the Province of Ontario and qualifies as a non-profit organization under 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. Significant accounting policies

Fund accounting

The Association follows the restricted fund method of accounting for contributions.

The General Fund accounts for current operations and programs as well as the Association’s administrative activities.

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 Buller 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 this fund.

The OLA Janette May Baker Scholarship Fund accounts for scholarships awarded to individuals with previous work experience to attend recognized library and information science programs. Restricted contributions and expenses for this purpose are reported in this fund.

The Special Fund exists to allow members the opportunity, for a limited time, to support libraries that have suffered misfortune or disaster. The decision to create the Fund is subject to Executive or Board approval.

The Larry Moore Fund was established to honour the Executive Director of the Ontario Library Association on his twentieth anniversary in the position. The ends to which the funds will be directed are to be determined by a Jury appointed by the OLA board as described in the terms of reference ratified by the OLA Board of Directors in 2008.

The OLA Africa Project Fund was established to provide programs, services and structures that will lead to the improvement of children’s lives in Africa.

ONTARIO LIBRARY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

2. Significant accounting policies (continued)

Fund accounting

The Marjorie Fleming Fund has been established to honour the mentors who have made OLA members the professionals that they are and to fund mentoring projects in the library community.

Revenue recognition

The Ontario Ministry of Culture operating grant of \$35,800 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 expense 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.

Revenue collected during the fiscal year in advance of the Super Conference held in the following year is deferred.

Investments

Investments are purchased to be held to maturity, and accordingly are carried at amortized cost plus accrued interest, calculated using the effective interest rate method.

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. Amortization is provided over the related assets' estimated useful lives, using the methods and annual rates appearing below.

Computer equipment & software	20% declining method
Office furniture & equipment	20% declining method
Leasehold improvements	20% straight-line method

ONTARIO LIBRARY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

2. Significant accounting policies (continued)

Contributed services

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

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

3. Capital assets

	Cost \$	Accumulated Amortization \$	2009 Net Book Value \$	2008 Net Book Value \$
Office furniture & equipment	132,943	104,664	28,279	32,084
Computer equipment & software	356,852	283,254	73,598	82,997
Leasehold improvements	11,480	2,296	9,184	-
	501,275	390,214	111,061	115,081

4. Investments

Investments consist of Canadian chartered bank guaranteed investment certificates, maturing in 2010 and 2011. Interest, earned at rates ranging from 0.40% to 2.05%, is generally paid at maturity.

ONTARIO LIBRARY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

5. Contractual commitments

The Association is committed to a lease for premises occupied until July 31, 2013 at varying amounts ranging from approximately \$48,500 to \$79,900 annually. The Association has the option to renew for a further seven year period.

6. Financial instruments

The corporation's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities.

Unless otherwise noted, it is the Board's opinion that the corporation is not exposed to material interest or credit risks arising from its financial instruments, and that the fair values of its financial instruments approximate their carrying value.

7. Changes in financial position

A statement of cash flows has not been prepared as it would not provide any further meaningful information.

8. Comparative figures

Certain of the prior year figures have been reclassified to conform with the reporting format adopted in the current year.