



# **Treasurer's Report of Fiscal Year 2025**

**September 1, 2024-August 31, 2025**

**Caroline Goulding, OLA Board Treasurer**

At the beginning of 2025 I was appointed Treasurer by the OLA Board, filling the vacancy left by Dr. Sabrina Saunders when she transitioned to a staff role within OLA. I have been grateful for the opportunity to continue to serve the Association and work with the OLA Board, staff, Councils, and Committees. I would like to thank the Finance and Audit Committee for their work this past year.

On behalf of the OLA Board of Directors and Audit Committee, I am pleased to report that the Board has approved the 2024-2025 audited financial statements. OLA's auditing firm, Hilborn LLP, has reported that the consolidated financial statements present fairly, in all material respects, the financial position of OLA as of August 31, 2025, and the results of its operations and its cash flows for the year ended in accordance with Canadian accounting standards for not-for-profit organizations.

The auditors reported that the association closed fiscal year 2025 with a deficit of revenue over expenses of \$356,092. After Super Conference 2025, the organization projected a substantial deficit of over \$600,000. Staff worked tireless and made some difficult decisions to significantly reduce the projected deficit to its current figure. This year has been a difficult one for the Association, I have deep gratitude for the efforts of Dr. Sabrina Saunders, Deputy Director and Michelle Arbuckle, Executive Director.

Looking ahead to the next fiscal, the projected budget includes a small surplus. A number of new revenue streams and programs have been identified and implemented. I am confident in the Association's path forward as guided by our new Strategic Plan.

**Posted December 19, 2025**

See Attached Financial Statements

# **ONTARIO LIBRARY ASSOCIATION**

## **FINANCIAL STATEMENTS**

AUGUST 31, 2025

**HILBORN**  **LLP**

## **Independent Auditor's Report**

To the Members and Board of Directors of Ontario Library Association

### **Opinion**

We have audited the financial statements of Ontario Library Association (the "Association"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations and changes in net assets - general fund, restricted fund revenues and expenses and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **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 report. We are independent of the Association 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 accounting standards for not-for-profit organizations, 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 ability of the Association 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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Association.

### **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.

## Independent Auditor's Report (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 internal control of the Association.
- 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 ability of the Association 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 Association 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario  
December 2, 2025

Chartered Professional Accountants  
Licensed Public Accountants

# ONTARIO LIBRARY ASSOCIATION

## Statement of Financial Position

August 31	2025 \$	2024 \$
<b>ASSETS</b>		
Current assets		
Cash	114,837	159,808
Restricted cash (note 3)	52,749	-
Short-term investments (note 4)	857,275	1,144,941
Accounts receivable (note 5)	77,596	241,441
Inventory	33,530	69,404
Prepaid expenses - conference	84,282	112,882
- other	94,063	77,147
	<b>1,314,332</b>	<b>1,805,623</b>
Long-term assets		
Long-term investments (note 4)	229,583	99,943
Capital assets (note 6)	4,267	12,171
Intangible assets (note 7)	-	33,428
	<b>233,850</b>	<b>145,542</b>
	<b>1,548,182</b>	<b>1,951,165</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	163,296	259,896
Deferred revenue (note 8)	78,559	73,975
	<b>241,855</b>	<b>333,871</b>
<b>NET ASSETS</b>		
General fund	1,046,066	1,401,639
Internally restricted funds	71,271	71,790
Externally restricted funds	188,990	143,865
	<b>1,306,327</b>	<b>1,617,294</b>
	<b>1,548,182</b>	<b>1,951,165</b>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board of Directors:

President \_\_\_\_\_

Treasurer \_\_\_\_\_

# ONTARIO LIBRARY ASSOCIATION

## Statement of Operations and Changes in Net Assets - General Fund

Year ended August 31	2025 \$	2024 \$
Revenue		
Membership	254,418	250,848
Conference	1,183,870	1,286,705
Continuing education	166,038	172,979
The Library Marketplace - publications and merchandise	118,899	174,856
Programs and projects (note 9)	442,453	421,669
Government grants (note 10)	41,979	40,300
Contributions	8,640	6,405
Investment income	41,202	43,375
Other income (note 11)	106,808	124,837
	<b>2,364,307</b>	<b>2,521,974</b>
Expenses		
Salaries and benefits	1,131,198	1,108,453
Conference	667,180	692,751
Continuing education	48,569	37,351
The Library Marketplace - publications and merchandise	121,788	142,321
Programs and projects (note 9)	172,806	280,759
Provision for doubtful accounts	131,817	10,381
Awards	13,526	49,370
Board and committees	32,834	6,872
Purchased services and materials	151,099	208,354
Travel, lodging and meals	11,582	20,205
Occupancy costs	35,860	46,017
Equipment rental and maintenance	254	14,718
Supplies, printing, delivery, etc.	2,380	7,409
Catering	44,203	3,865
Telephone	12,568	16,030
Professional fees	81,190	54,640
Amortization of intangible assets	-	8,357
Depreciation of capital assets	1,067	3,043
Bank charges and credit card fees	12,155	11,215
Foreign exchange	5,044	1,472
Loss on disposal of intangible assets	33,428	-
Loss on disposal of capital assets	9,851	-
	<b>2,720,399</b>	<b>2,723,583</b>
Deficiency of revenues over expenses for year	<b>(356,092)</b>	<b>(201,609)</b>
Net assets - general fund - at beginning of year	<b>1,401,639</b>	<b>1,601,772</b>
Transfer from internally restricted fund	<b>519</b>	<b>1,476</b>
Net assets - general fund - at the end of year	<b>1,046,066</b>	<b>1,401,639</b>

The accompanying notes are an integral part of these financial statements

# ONTARIO LIBRARY ASSOCIATION

## Statement of Restricted Fund Revenues and Expenses and Changes in Net Assets

Year ended August 31, 2025

	Internally Restricted					Externally Restricted										
	Special Fund	Larry Moore Fund	OLA Mentoring Fund	I Read Canadian Fund	Total	Research on Libraries Fund	International Indigenous Library Forum Fund	Janette Baker Fund	Haycock Fund	K.H. SC Grant	Sarah Badgley Literacy Fund	Intellectual Freedom Fund	Research and Continuing Education Fund	Children's Book Award	Scholarship Fund	Total
<b>Revenues</b>																
Contributions	-	-	-	-	-	100	45,152	-	-	-	1,906	50	-	-	260	47,468
Investment income	-	-	-	-	-	1,325	-	225	877	209	20	691	147	207	456	4,157
	-	-	-	-	-	1,425	45,152	225	877	209	1,926	741	147	207	716	51,625
<b>Expenses</b>																
Disbursements	-	-	-	-	-	-	-	4,000	1,000	-	1,500	-	-	-	-	6,500
<b>Excess (deficiency) of revenues over expenses for year</b>	-	-	-	-	-	1,425	45,152	(3,775)	(123)	209	426	741	147	207	716	45,125
<b>Net assets - at beginning of year</b>	3,896	29,936	12,907	25,051	71,790	45,850	-	7,800	30,354	7,250	685	23,906	5,080	7,151	15,789	143,865
<b>Transfer from (to) general fund</b>	110	843	364	(1,836)	(519)	-	-	-	-	-	-	-	-	-	-	-
<b>Net assets - at end of year</b>	4,006	30,779	13,271	23,215	71,271	47,275	45,152	4,025	30,231	7,459	1,111	24,647	5,227	7,358	16,505	188,990

Year ended August 31, 2024

<b>Revenues</b>																
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	1,155	-	259	776	182	24	602	128	180	397	3,703
	-	-	-	-	-	1,155	-	259	776	182	24	602	128	180	397	3,703
<b>Expenses</b>																
Disbursements	-	-	-	-	-	-	-	5,000	1,000	-	500	-	-	-	-	6,500
<b>Excess (deficiency) of revenues over expenses for year</b>	-	-	-	-	-	1,155	-	(4,741)	(224)	182	(476)	602	128	180	397	(2,797)
<b>Net assets - at beginning of year</b>	3,798	29,183	12,582	27,703	73,266	44,695	-	12,541	30,578	7,068	1,161	23,304	4,952	6,971	15,392	146,662
<b>Transfer from (to) general fund</b>	98	753	325	(2,652)	(1,476)	-	-	-	-	-	-	-	-	-	-	-
<b>Net assets - at end of year</b>	3,896	29,936	12,907	25,051	71,790	45,850	-	7,800	30,354	7,250	685	23,906	5,080	7,151	15,789	143,865

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

See note 1 for a description of the restricted funds.

# ONTARIO LIBRARY ASSOCIATION

## Statement of Cash Flows

Year ended August 31	2025 \$	2024 \$
Cash flows from operating activities		
Deficiency of revenues over expenses for year - general fund	(356,092)	(201,609)
Excess (deficiency) of revenues over expenses for year - restricted fund	45,125	(2,797)
Adjustments to determine net cash provided by operating activities		
Depreciation of capital assets	1,067	3,043
Amortization of intangible assets	-	8,357
Loss on disposal of capital assets	9,851	-
Loss on disposal of intangible assets	33,428	-
	(266,621)	(193,006)
Change in non-cash working capital items		
Decrease (increase) in accounts receivable	163,845	(37,040)
Decrease in prepaid expenses	11,684	3,125
Decrease in inventory	35,874	22,160
Increase (decrease) in accounts payable and accrued liabilities	(96,600)	12,137
Increase (decrease) in deferred revenue	4,584	(12,006)
	(147,234)	(204,630)
Cash flows from investing activities		
Purchase of investments	(656,721)	(442,697)
Proceeds on redemption of investments	814,747	396,000
Purchase of capital assets	(3,014)	-
	155,012	(46,697)
Net change in cash	7,778	(251,327)
Cash, beginning of year	159,808	411,135
Cash, end of year	167,586	159,808
Represented by:		
Cash	114,837	159,808
Restricted cash	52,749	-
	167,586	159,808

The accompanying notes are an integral part of these financial statements



# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements

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August 31, 2025

### **Nature of operations**

The Ontario Library Association's (the "Association" or "OLA") vision is to lead and inspire growth and innovation in the library and information services sector. OLA's mandate is to empower its members in the library and information services industry to build informed, participatory and inclusive communities through research, education, advocacy and partnerships.

The Association is a not-for-profit organization incorporated on April 29, 1969 as a corporation without share capital under the laws of the Province of Ontario. It is also a registered charitable organization under the Income Tax Act (the "Act") and, as such, is generally exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Association must meet certain requirements within the Act. These requirements of the Act have been met at August 31, 2025.

### **1. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. These financial statements have been prepared within the framework of the significant accounting policies summarized below:

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

The General Fund accounts for the day-to-day service delivery activities of the Association.

The Board of Directors of the Association has internally restricted net assets to be used for specific purposes. These funds are not available for operating purposes without approval of the Board of Directors. The details of internally restricted funds are as follows:

##### **(i) Special Fund**

The Special Fund (currently dormant) is an internally restricted fund to support libraries that have suffered misfortune or disaster.

##### **(ii) Larry Moore Fund**

The Larry Moore Fund is an internally restricted fund that was established to honour the former Executive Director of the Association on his twentieth anniversary in the position. The purpose of the Larry Moore Fund is to operate the Larry Moore Challenge, an annual leadership competition to encourage and foster leadership in innovation in librarianship and libraries in Canada.

##### **(iii) OLA Mentoring Fund**

The OLA Mentoring Fund is an internally restricted fund that was established to honour the mentors who have made OLA members the professionals that they are and to fund mentoring projects in the library community.

# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements (continued)

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August 31, 2025

1. **Significant accounting policies (continued)**

(a) **Basis of accounting (continued)**

(iv) **I Read Canadian Fund**

The I Read Canadian Fund is an internally restricted fund that was established to support access to Canadian books for children and young people in Canada. Recipients of funds are prioritized for at-risk rural, remote and indigenous communities.

The Association has externally restricted net assets to be used for specific purposes. These funds are not available for general operating purposes. The details of these restricted funds are as follows:

(i) **Research on Libraries Fund**

The Research on Libraries Fund (formerly the Margaret Scott Research Fund) is an externally restricted fund for research about and in support of the library sector.

(ii) **The International Indigenous Library Forum Fund**

The International Indigenous Library Forum Fund is an externally restricted fund for indigenous library professionals to support other indigenous library professionals in attending premiere library events and training.

(iii) **OLA Dr. Janette Baker Scholarship Fund**

The OLA Dr. Janette Baker Scholarship Fund is an externally restricted fund for scholarships awarded to individuals with previous work experience to attend recognized library and information science programs.

The following externally restricted net assets were transferred from other organizations to be used for specific purposes as set out in the transfer agreements between the organizations.

(i) **Haycock Fund**

The Haycock Fund was transferred to the Association from the Canadian Library Association (the "CLA") on July 20, 2016. The purpose of the fund was to award candidates who have demonstrated exceptional success in enhancing the public recognition and appreciation of librarianship.

(ii) **Ken Haycock Super Conference Grant (K.H. SC Grant) Fund**

The Ken Haycock Super Conference Grant Fund was transferred to the Association from the CLA on July 18, 2016. The purpose of the fund was to honour the founding members of the Canadian Association of School Librarians and provide a travel grant to support newly qualified teacher-librarians to attend the Super Conference.

# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements (continued)

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August 31, 2025

### 1. Significant accounting policies (continued)

#### (a) Basis of accounting (continued)

##### (iii) Sarah Badgley Literacy Fund

The Sarah Badgley Literacy Fund was established by the Rural Learning Association (the "RLA") in 2002 to support children's literacy initiatives of rural public libraries and urban public libraries that serve rural clientele. The Association accepted stewardship of the fund on behalf of RLA.

##### (iv) CLA Funds Held in Trust

The CLA Funds Held in Trust were transferred to the Association from the CLA on July 29, 2016 for the following awards and related special purpose funds:

- The Intellectual Freedom Fund - to provide financial assistance in cases involving intellectual freedom;
- The Research and Continuing Education Fund - to support theoretical and applied research in the field of library and information services; encourage and support research undertaken by practitioners in the field of library and information services;
- The Children's Book Award Fund - to honour the spirit of promoting and recognizing Canadian children's authors and illustrators by disbursing these funds as follows:

Allow any Canadian children's author or illustrator who have been nominated in the past three years for a children's book award program to apply to this fund to support a library or community organization visit in a small or rural community anywhere in Canada; and

- The Scholarship Fund - to award a scholarship to all students entering a Masters program but also include students entering a library technician diploma program by submitting a resume, a letter of intent that includes reason for pursuing these studies, and proof of enrolment in the program.

#### (b) Revenue recognition

##### *Membership*

Membership fees cover the twelve month period following the date of receipt and acceptance by the Association.

##### *Activities - Conference and Continuing Education*

Revenues and expenses from activities are recorded in the period in which the activity takes place. Revenues from attendance or enrolment to these activities received in the current year, applicable to the subsequent year are recorded as deferred revenue on the statement of financial position and will be accounted as income as the activities take place.

# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements (continued)

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August 31, 2025

### 1. Significant accounting policies (continued)

#### (b) Revenue recognition (continued)

##### *Publications*

The Library Marketplace publications and merchandise revenue is recognized when the items are shipped.

##### *Contributions and Grants*

The Association follows the deferral method of accounting for contributions which include government grants and other unrestricted contributions. Operating grants are recorded as revenue in the period in which the related expenses are incurred. Where a portion of grant relates to a future period, it is deferred and recognized in that subsequent period.

Restricted contributions related to the externally restricted funds are recognized as revenues in the respective restricted funds in the current year.

##### *Investment Income*

Investment income is comprised of interest and mutual fund distributions. Interest income is recorded as revenue when earned. Mutual fund distributions are recorded as revenue when declared.

##### *Other Income*

All other sources of revenues are recognized when the event takes place, services are performed, or goods have been delivered.

#### (c) Financial instruments

##### (i) Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Amortized cost is the amount at which a financial asset or financial liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between the initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash, restricted cash, short-term investments, accounts receivable and long-term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

# ONTARIO LIBRARY ASSOCIATION

## Notes to Financial Statements (continued)

August 31, 2025

### 1. Significant accounting policies (continued)

#### (c) Financial instruments (continued)

##### (ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment. The amount of the reversal is recognized in income in the period that the reversal occurs.

#### (d) Inventory

Publications and items held for resale are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Net realizable value is determined by reference to selling price less costs to sell.

#### (e) Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as capital assets, otherwise, costs are expensed as incurred. The cost of capital assets comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided for, upon the commencement of the utilization of the assets, using methods and rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates on a declining balance basis are as follows:

Furniture and equipment	20%
Computer equipment	20%

#### (f) Intangible assets

The costs of intangible assets are capitalized upon meeting the criteria for recognition as intangible assets, otherwise, costs are expensed as incurred. The cost of intangible assets comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses.

# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements (continued)

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August 31, 2025

1. **Significant accounting policies (continued)**

(f) **Intangible assets (continued)**

Amortization is provided for, upon the commencement of the utilization of the assets, using methods and rates designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rate on a declining balance basis is as follows:

Computer software	20%
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Intangible assets are tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the intangible assets to its fair value. Any impairment of intangible assets is recognized in income in the year in which the impairment occurs. An impairment loss is not reversed if the fair value of the intangible assets subsequently increases.

(g) **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at the date of the statement of financial position. Revenues and expenses are translated from foreign currencies at the exchange rates prevailing on the transaction date. Any resulting gains or losses are included in income for the year.

(h) **Contributed services**

Volunteers contribute significant amounts of time to assist the Association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed goods and services are not recognized in the financial statements.

(i) **Use of estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates, the impact of which would be recorded in future affected periods.

# ONTARIO LIBRARY ASSOCIATION

## Notes to Financial Statements (continued)

August 31, 2025

### 2. Financial instrument risk management

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure at the statement of financial position date.

Financial instrument	Credit	Liquidity	Risks		
			Currency	Interest rate	Other price
Cash	X		X		
Restricted cash	X				
Short-term investments	X			X	
Long-term investments	X			X	
Accounts receivable	X				
Accounts payable and accrued liabilities		X	X		

#### Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Association's main credit risk relates to cash, restricted cash, short-term and long-term investments and accounts receivable. The Association reduces its exposure to the credit risk for cash by maintaining balances with a Canadian chartered bank and for short-term and long-term investments by investing in high investment grade investments. The Association mitigates credit risk for accounts receivable by regularly monitoring accounts receivable balances. Management has included an adequate provision for doubtful accounts receivable as disclosed in note 5.

#### Liquidity risk

Liquidity risk is the risk that the Association cannot repay its obligations when they become due to its creditors. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Association expects to meet these obligations as they come due by generating sufficient cash flows from operations.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

# ONTARIO LIBRARY ASSOCIATION

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## Notes to Financial Statements (continued)

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August 31, 2025

### 2. Financial instrument risk management (continued)

#### Market risk (continued)

##### i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association makes purchases outside of Canada. Consequently, accounts payable and accrued liabilities are exposed to foreign currency fluctuations. As at August 31, 2025, accounts payable and accrued liabilities in the amount of \$NIL (\$10,324 - 2024) are denominated in US dollars and converted into Canadian dollars of \$NIL (\$13,928 - 2024). Foreign exchange gains and losses are included in the statement of operations and changes in net assets - general fund. The Association utilizes a US dollar bank account to hedge its exposure to currency risk.

##### ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The value of fixed income investments will generally rise if interest rates fall and decrease if interest rates rise. The Association is exposed to interest rate risk on its fixed income investments.

##### iii) Other price risk

Other price risk is the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Association is exposed to other price risk on its investments in bonds.

#### Changes in risk

There have been no significant changes in the risk profile of the financial instruments of the Association from that of the prior year.

### 3. Restricted cash

Restricted cash relates to cash held for RRSP contributions, both employee and employer, and funds to cover any related fees.



# ONTARIO LIBRARY ASSOCIATION

## Notes to Financial Statements (continued)

August 31, 2025

### 4. Investments

	2025		
	Face value	Amortized cost	Effective yield
	\$	\$	%
Short-term			
Guaranteed investment certificates with maturity of less than 1 year	500,000	518,585	3.86
Mutual funds			
BNS Investment Savings	338,690	338,690	-
	838,690	857,275	
Long-term			
Government bonds with maturity over 1 year	217,859	229,583	2.58
	217,859	229,583	
	1,056,549	1,086,858	
	2024		
	Face value	Amortized cost	Effective yield
	\$	\$	%
Short-term			
Guaranteed investment certificates with maturity of less than 1 year	500,000	527,813	5.23
Government bonds with maturity in less than 1 year	105,411	114,257	4.63
Mutual funds			
RBC Investment Corporate	9,208	9,208	-
BNS Investment Savings	493,663	493,663	-
	1,108,282	1,144,941	
Long-term			
Government bonds with maturity over 1 year	94,256	99,943	1.44
	94,256	99,943	
	1,202,538	1,244,884	

### Investment Risk Management

Risk management relates to the understanding and active management of risks associated with all areas of the Association's activities and operations. Investments are primarily exposed to interest rate risks. The Association has formal policies and procedures for investment transactions and the majority of investments are made on the advice of the investment advisor.

# ONTARIO LIBRARY ASSOCIATION

## Notes to Financial Statements (continued)

August 31, 2025

### 5. Accounts receivable

As at August 31, 2025, the carrying amount of impaired receivables amounted to \$128,756 (2024 - \$NIL). These accounts receivable are presented net of an allowance for doubtful accounts of the same amount.

### 6. Capital assets

	2025		
	Cost \$	Accumulated Amortization \$	Net Book Value \$
Furniture and fixtures	2,806	2,686	120
Computer equipment	7,253	3,106	4,147
	10,059	5,792	4,267

  

	2024		
	Cost \$	Accumulated Amortization \$	Net Book Value \$
Furniture and fixtures	186,995	180,794	6,201
Computer equipment	277,943	271,973	5,970
	464,938	452,767	12,171

During the current year, the Association determined that furniture and fixtures with an original cost of \$184,189 and accumulated amortization of \$178,137, and computer equipment with an original cost of \$273,704 and accumulated amortization of \$269,905 were no longer in use by the Association and as such have been written off.

### 7. Intangible assets

	2024		
	Cost \$	Accumulated Amortization \$	Net Book Value \$
Computer software	127,301	93,873	33,428

During the current year, the Association determined that computer software with an original cost of \$127,301 and accumulated amortization of \$93,873 were no longer in use by the Association and as such have been written off.

# ONTARIO LIBRARY ASSOCIATION

## Notes to Financial Statements (continued)

August 31, 2025

### 8. Deferred revenue

	2025 \$	2024 \$
Libstat revenue	-	16,680
Super conference	53,144	57,295
Government grant	23,508	-
Shopify sales	1,907	-
	<b>78,559</b>	<b>73,975</b>

### 9. Programs and projects

Programs and projects include the Forest of Reading Program, Festival of Trees and other advocacy special projects.

### 10. Government grants

The Association receives an annual operating grant in the amount of \$40,300, covering the period from April 1 following the end of the previous Funding Year and ending on the following March 31, from the Ministry of Tourism, Culture and Gaming to help continue delivering valuable programs and services to Ontario's public libraries and support Ontario Public library week.

### 11. Other income

	2025 \$	2024 \$
PSB rebate	85,912	87,390
Royalties and consulting	20,896	-
Career centre	-	24,439
Other	-	13,008
	<b>106,808</b>	<b>124,837</b>

### 12. Comparative figures

Certain of the comparative figures in the statement of operations and changes in net assets - general fund have been reclassified to conform with the financial statements presentation adopted in the current year.

# HILBORN

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