The Corporation of the Municipality of Meaford

Public Library Board
Financial Statements
For the year ended December 31, 2024

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The Corporation of the Municipality of Meaford Public Library Board

To the Members of Council of the Corporation of the Municipality of Meaford Public Library Board:

Opinion

We have audited the financial statements of the Corporation of the Municipality of Meaford Public Library Board (the "Library"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, changes in net financial assets (debt) 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 Library as at December 31, 2024, and the results of its operations, changes in its net financial assets (debt) 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. 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.

Other Matter

The financial statements for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified Opinion on those statements on December 18, 2024.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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.

MNP LLP

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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 these 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 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.

MNP LLP

Owen Sound, Ontario — Chartered Professional Accountants

December 10, 2025 — Licensed Public Accountants

The Corporation of the Municipality of Meaford
Public Library Board
Statement of Financial Position

December 31	2024	2023
Financial assets		
Cash	**$ 24,055**	$ 24,080
Liabilities		
Due to Municipality of Meaford	**17,958**	31,680
Net financial assets (debt)	**6,097**	(7,600)
Non-financial assets		
Tangible capital assets (Note 2)	**305,744**	317,827
Accumulated surplus (Note 3)	**$ 311,841**	$ 310,227

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

The Corporation of the Municipality of Meaford
Public Library Board
Statement of Operations and Accumulated Surplus

For the year ended December 31	2024 Budget (Note 4)	2024 Actual	2023 Actual
Revenue			
Government transfers			
Province of Ontario	$ 25,000	**$ 26,635**	$ 26,501
Municipality of Meaford	761,480	**734,371**	715,675
Canada	1,000	**-**	-
Interest earned	-	**11,782**	5,509
Rentals	1,000	**766**	550
Fees and service charges	5,000	**9,611**	9,006
Donations	3,000	**24,718**	16,983
Special events revenue	5,000	**-**	-
	801,480	**807,883**	774,224
Expenses			
Salaries and benefits	498,040	**497,357**	472,138
Operating and maintenance supplies	166,290	**167,964**	138,993
Utilities	27,000	**20,156**	22,300
Repairs and maintenance	10,600	**10,544**	13,918
Insurance	14,630	**7,598**	3,210
Programs	10,250	**17,549**	10,799
Printing and advertising	4,200	**6,833**	3,687
Special events	5,000	**3,058**	-
Other services	25,470	**25,042**	20,968
Amortization	-	**50,168**	49,464
	761,480	**806,269**	735,477
Annual surplus (Note 4)	40,000	**1,614**	38,747
Accumulated surplus, beginning of the year	310,227	**310,227**	271,480
Accumulated surplus, end of the year	$ 350,227	**$ 311,841**	$ 310,227

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

The Corporation of the Municipality of Meaford
Public Library Board
Statement of Changes in Net Financial Assets (Debt)

For the year ended December 31	2024 Budget (Note 4)	**2024 Actual**	2023 Actual
Annual surplus (Page 5)	$ 40,000	**$ 1,614**	$ 38,747
Acquisition of tangible capital assets	(40,000)	**(38,085)**	(35,377)
Amortization of tangible capital assets	-	**50,168**	49,464
	(40,000)	**12,083**	14,087
Increase in net financial assets	-	**13,697**	52,834
Net financial debt, beginning of the year	(7,600)	**(7,600)**	(60,434)
Net financial assets (debt), end of the year	$ (7,600)	**$ 6,097**	$ (7,600)

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

The Corporation of the Municipality of Meaford
Public Library Board
Statement of Cash Flows

For the year ended December 31	2024	2023
Cash provided by (used in)		
Operating activities		
Annual surplus (Page 5)	**$ 1,614**	$ 38,747
Items not involving cash		
Amortization	**50,168**	49,464
	51,782	88,211
Changes in non-cash working capital balances		
Due to Municipality of Meaford	**(13,722)**	(28,929)
	38,060	59,282
Capital transaction		
Cash used to acquire capital assets	**(38,085)**	(35,377)
Net change in cash	**(25)**	23,905
Cash, beginning of the year	**24,080**	175
Cash, end of the year	**$ 24,055**	$ 24,080

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

1. Summary of Significant Accounting Policies

Management Responsibility

The management of the Municipality of Meaford Public Library Board is responsible for the integrity, objectivity and accuracy of the financial information presented in these financial statements. The Public Library Board reviews and approves the financial statements.

Basis of Accounting

The financial statements of the Corporation of the Municipality of Meaford Public Library Board have been prepared by management in accordance with Canadian public sector accounting standards as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as prescribed by the Ministry of Municipal Affairs and Housing.

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.

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items such as useful lives of capital assets. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future.

Basis of Consolidation

The Library Board has been consolidated with the financial statements of the Municipality of Meaford.

1. **Summary of Significant Accounting Policies** - (continued)

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 the asset. Amortization is provided over the estimated useful life of the assets, using the straight-line method. The useful life of the asset is based on estimates made by the Board. The following rates are used:

Library collections	5 years
Office furniture and equipment	20 years

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

Asset Retirement Obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. Management has not identified any asset retirement obligations for which a liability needs to be recognized.

Financial Instruments

Cash is measured at fair value. All other financial instruments; due to Municipality of Meaford are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost.

1. Summary of Significant Accounting Policies - (continued)

Revenue Recognition

(a) Government transfers are recognized as revenue in the financial statements 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 recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(b) Other revenues are recorded upon sale of goods or provision of services when collection is reasonably assured. Revenue related to fees or services received in advance of the fee being earned or when the service is performed is deferred and recognized when the fee is earned or the service provided.

(c) Fines and donations are recognized when collected.

2. Tangible Capital Assets

			2024
	Library collections	Office furniture and equipment	Total
Cost, beginning of the year	$ 538,169	$ 257,033	$ 795,202
Additions	38,085	-	38,085
Cost, end of the year	576,254	257,033	833,287
Accumulated amortization, beginning of the year	401,077	76,298	477,375
Amortization	34,404	15,764	50,168
Accumulated amortization, end of the year	435,481	92,062	527,543
Net carrying amount, end of the year	$ 140,773	$ 164,971	$ 305,744

			2023
	Library collections	Office furniture and equipment	Total
Cost, beginning of the year	$ 502,792	$ 257,033	$ 759,825
Additions	35,377	-	35,377
Cost, end of the year	538,169	257,033	795,202
Accumulated amortization, beginning of the year	367,334	60,577	427,911
Amortization	33,743	15,721	49,464
Accumulated amortization, end of the year	401,077	76,298	477,375
Net carrying amount, end of the year	$ 137,092	$ 180,735	$ 317,827

3. Accumulated Surplus

The organization segregates its accumulated surplus in the following categories:

	2024	2023
Invested in tangible capital assets		
Tangible capital assets purchased	$ **305,744**	$ 317,827
Unfinanced capital assets	**(186,459)**	(186,459)
	119,285	131,368
Reserves - Library Capital	**192,556**	178,859
Accumulated surplus	$ **311,841**	$ 310,227

4. Budgets

Under Canadian public sector accounting principles, budget amounts are to be reported on the statement of operations and accumulated surplus and changes in net financial assets (debt) for comparative purposes. The 2024 budget amounts for the Public Library Board approved by the Board have been reclassified to conform to the presentation of the consolidated statements of operations and accumulated surplus and changes in net financial assets (debt). The following is a reconciliation of the budget approved by the Board.

	2024 Budget	2024 Actual	2023 Actual
Annual surplus (Page 5)	$ 40,000	$ **1,614**	$ 38,747
Transfer from reserve for library board capital	40,000	**38,085**	35,377
Capital acquisitions	(40,000)	**(38,085)**	(35,377)
Amortization	-	**50,168**	49,464
Transfer to reserve for capital	(40,000)	**(40,000)**	(82,702)
Interest transferred to reserve	-	**(11,782)**	(5,509)
	$ -	$ **-**	$ -

5. *Financial Instrument Risk Management*

The Library is exposed to credit risk and liquidity risk from its financial instruments. This note describes the Library's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the Library's exposure to credit risk or liquidity risk or the policies, procedures and methods it uses to manage and measure these risks.

Credit Risk

The Library is exposed to credit risk arising from its cash and trade receivables.

The amounts outstanding at year end, which is the Library's maximum exposure to credit risk were as follows:

	0 - 30 days	31 - 90 days	91 - 365 days	1 - 2 years	3 - 10 years
Cash	$ 24,055	$ -	$ -	$ -	$ -

Liquidity Risk

Liquidity risk is the risk that the Library encounters difficulty in meeting its obligations associated with financial liabilities. The Library has sufficient bank balances to extinguish its liabilities.

At year end, the amounts outstanding for the Library's accounts payable are as follows:

	Within 6 months	6 months to 1 year	1 - 5 years	Over 5 years
Due to Municipality of Meaford	$ 17,958	$ -	$ -	$ -