

Financial Statements of

**CENTRE FOR EQUITABLE
LIBRARY ACCESS (CELA) /
CENTRE D'ACCÈS ÉQUITABLE
AUX BIBLIOTHÈQUES**

For the Year Ended March 31, 2015

DRAFT

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INDEPENDENT AUDITOR'S REPORT

To the Members of:
Centre for Equitable Library Access (CELA) /
Centre d'Accès Équitable Aux Bibliothèques

We have audited the accompanying financial statements of Centre for Equitable Library Access (CELA) / Centre d'Accès Équitable Aux Bibliothèques which comprise the statement of financial position as at March 31, 2015, and the statements of general operating fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management and Directors' Responsibility for the Financial Statements

Management and Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management and Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the corporation's preparation and fair presentation of the financial statements 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 corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Centre for Equitable Library Access (CELA) / Centre d'Accès Équitable Aux Bibliothèques as at March 31, 2015, 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.

HARRIS & CHONG LLP
Chartered Accountants
Licensed Public Accountants

, 2015
Toronto, Ontario

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**CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) /
CENTRE D'ACCÈS ÉQUITABLE AUX BIBLIOTHÈQUES**

**STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015**

	2015	2014
	\$	\$
ASSETS		
Current Assets		
Cash	137,303	41,532
Prepaid expenses	885	1,256
Sales tax recoverable	3,938	5,771
	142,126	48,559
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	50,066	11,549
Deferred revenue	4,337	-
	54,403	11,549
FUND BALANCES		
Contributed surplus (Note 2)	65,339	65,339
General operating fund	22,384	(28,329)
	87,723	37,010
	142,126	48,559

APPROVED ON BEHALF OF THE BOARD:

Director

Director

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

**CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) /
CENTRE D'ACCÈS ÉQUITABLE AUX BIBLIOTHÈQUES**

STATEMENT OF GENERAL OPERATING FUND

FOR THE YEAR ENDED MARCH 31, 2015

(with comparative figures for the period from September 1, 2013 to March 31, 2014)

	ACTUAL 2015 \$	ACTUAL 2014 \$
REVENUES		
Program fees	-	22,650
Subscription fees – Ontario	186,217	-
Less: reimbursement – Ontario	(186,217)	-
	-	-
Subscription fees – other provinces	488,480	-
	488,480	-
Less: remittance to CNIB (Note 3)	(248,580)	-
	239,900	-
	239,900	22,650
EXPENSES		
Contracted staffing	131,857	42,700
Travel	17,916	791
Professional fees	13,302	2,629
Advertising and promotion	12,250	-
Website	4,428	2,170
Translating and interpretation	2,808	1,249
Telephone	2,357	459
Catering	1,735	514
Supplies	1,535	375
Insurance	707	33
Administration	292	59
	189,187	50,979
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	50,713	(28,329)
Balance at beginning of year	(28,329)	-
BALANCE AT END OF YEAR	22,384	(28,329)

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

**CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) /
CENTRE D'ACCÈS ÉQUITABLE AUX BIBLIOTHÈQUES**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2015

(with comparative figures for the period from September 1, 2013 to March 31, 2014)

	2015	2014
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses (expenses over revenue)	50,713	(28,329)
Changes in non-cash operating working capital		
Prepaid expenses	371	(1,256)
Sales tax recoverable	1,833	(5,771)
Accounts payable and accrued liabilities	38,517	11,549
Deferred revenue	4,337	-
	95,771	(23,807)
FINANCING ACTIVITIES		
Contributions to capital	-	65,339
INCREASE IN CASH	95,771	41,532
Cash at beginning of year	41,532	-
CASH AT END OF YEAR	137,303	41,532

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

CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) / CENTRE D'ACCÈS ÉQUITABLE AUX BIBLIOTHÈQUES

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

Status and nature of activities

Centre for Equitable Library Access (CELA) / Centre d'Accès Équitable Aux Bibliothèques was incorporated on September 1, 2013 pursuant to the Canada Not-for-Profit Corporations Act. Its purpose is to operate and maintain a national service to provide equitable library services through Canada's public libraries for Canadians with print disabilities.

The corporation qualifies as a non-profit organization, which is exempt from income tax under the Income Tax Act.

1. Significant accounting policies

The General Operating Fund accounts for current operations and programs as well as the organization's administrative activities.

Contributed Services

Board members volunteer their time to assist in the organization's activities. These services materially benefit the organization; however, a reasonable estimate of the time spent and its fair market value cannot be made and accordingly, these contributed services are not recognized in the financial statements.

Revenue recognition

CELA follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Government grants, subscription fees and program fees are recognized on an accrual basis and are deferred until earned.

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.

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CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) / CENTRE D'ACCÈS ÉQUITABLE AUX BIBLIOTHÈQUES

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

2. Contributed surplus

The contributed surplus represents the initial funding contribution by Canadian Urban Libraries Council (CULC) of \$10,339 and Canadian National Institute for the Blind (CNIB) of \$55,000.

3. Remittance for service and commitment

A memorandum of understanding (MOU) was made between CELA and Canadian National Institute for the Blind (CNIB) on April 1, 2014. CELA has contracted CNIB to produce alternative format materials and provide equitable library services. An agreement setting out these responsibilities and financial arrangements in detail was to be executed no later than April 1, 2015. The agreement will be for a period of not less than three years, but both parties retain the option to conclude this agreement before that date.

CNIB is also a critical partner in a national solution for accessible format materials, supporting advocacy and funding efforts for CELA services. CELA's business model seeks support from provincial and territorial governments, and large urban public libraries. In the short term, financial support will also be provided by CNIB to facilitate the transition of accessible library service from CNIB to CELA, but this reliance will diminish over future years.

4. Financial instruments

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.

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