

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

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2016**

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

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**Year Ended March 31, 2016**

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# Guyatt + Moffatt

Chartered Professional Accountants

Michael B. Guyatt Professional Corporation  
C. Brad Moffatt Professional Corporation  
Douglas M. Guyatt Professional Corporation

211 - 911 Golf Links Road  
Ancaster, Ontario L9K 1H9  
(905) 527 - 0000  
Fax (905) 648 - 3101

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## INDEPENDENT AUDITOR'S REPORT

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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, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is 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 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

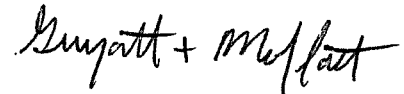
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Independent Auditor's Report to the Members of Centre for Equitable Library Access (CELA) / Centre D'Accès Équitable Aux Bibliothèques *(continued)*

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, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Ancaster, Ontario  
September 27, 2016



**GUYATT + MOFFATT**  
Chartered Professional Accountants  
Licensed Public Accountants

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

**Statement of Revenues and Expenditures**

**For the Year Ended March 31, 2016**

	2016	2015
<b>REVENUES</b>		
Subscription fees	\$ 397,553	\$ 538,507
Government grants	<u>122,782</u>	<u>136,190</u>
	<u>520,335</u>	<u>674,697</u>
<b>Less:</b>		
Remittance to CNIB (Note 5)	385,840	248,580
Reimbursement - Ontario	<u>-</u>	<u>186,217</u>
	<u>385,840</u>	<u>434,797</u>
	<u>134,495</u>	<u>239,900</u>
<b>EXPENSES</b>		
Advertising and promotion	3,546	12,250
Affiliation fees	395	-
Bank charges and interest	18	254
Computer and internet	239	4,428
Conferences and seminars	249	-
Contracted staffing	140,807	131,857
Insurance	920	707
Meals & Entertainment	1,341	-
Office expense	924	3,307
Professional fees	9,555	13,303
Repairs & Maintenance	662	-
Telephone	1,524	2,357
Translating & interpretation	1,791	2,808
Travel	<u>9,575</u>	<u>17,916</u>
	<u>171,546</u>	<u>189,187</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ (37,051)</u>	<u>\$ 50,713</u>

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

**Statement of Financial Position**

**March 31, 2016**

	2016	2015
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 301,662	\$ 137,303
Accounts receivable	162,772	-
Harmonized sales tax recoverable	-	3,938
Prepaid expense	883	885
	<b>\$ 465,317</b>	<b>\$ 142,126</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 2,234	\$ 50,066
Harmonized sales tax payable	20,590	-
Deferred revenue	391,821	4,337
	<b>414,645</b>	<b>54,403</b>
<b>NET ASSETS</b>		
General fund	50,672	22,384
Contributed surplus	-	65,339
	<b>50,672</b>	<b>87,723</b>
	<b>\$ 465,317</b>	<b>\$ 142,126</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

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

**Statement of Changes in Net Assets**

**Year Ended March 31, 2016**

	General Fund	Contributed Surplus	<b>2016</b>	2015
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 22,384	\$ 65,339	<b>\$ 87,723</b>	\$ 37,010
Deficiency of revenues over expenses	(37,051)	-	<b>(37,051)</b>	50,713
Transfer ( <i>Note 4</i> )	65,339	(65,339)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 50,672</b>	<b>\$ -</b>	<b>\$ 50,672</b>	<b>\$ 87,723</b>

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

**Statement of Cash Flow  
Year Ended March 31, 2016**

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	<u>\$ (37,051)</u>	<u>\$ 50,713</u>
Changes in non-cash working capital:		
Accounts receivable	(162,772)	-
Accounts payable and accrued liabilities	(47,832)	38,517
Deferred revenue	387,484	4,337
Prepaid expense	2	371
Harmonized sales tax payable	<u>24,528</u>	<u>1,833</u>
	<u>201,410</u>	<u>45,058</u>
<b>INCREASE IN CASH FLOW</b>	<b>164,359</b>	<b>95,771</b>
<b>CASH - BEGINNING OF YEAR</b>	<u>137,303</u>	<u>41,532</u>
<b>CASH - END OF YEAR</b>	<u><b>\$ 301,662</b></u>	<u><b>\$ 137,303</b></u>



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

**Notes to Financial Statements**

**Year Ended March 31, 2016**

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**1. DESCRIPTION OF OPERATIONS**

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

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

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

Centre for Equitable Library Access (CELA) / Centre D'Accès Équitable Aux Bibliothèques follows the deferral method of accounting for contributions.

The General Fund accounts for the organization's current operations and programs as well as other administrative activities. This fund reports unrestricted resources and restricted operating grants.

Measurement uncertainty

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 amount 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 period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

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.

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**CENTRE FOR EQUITABLE LIBRARY ACCESS (CELA) / CENTRE D'ACCÈS ÉQUITABLE  
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**Notes to Financial Statements**

**Year Ended March 31, 2016**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

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3. DEFERRED REVENUE

Subscription fees are typically paid in advance for one year of service. Amounts paid for services to be provided in future have been recognized as deferred revenue. The changes in the deferred revenue balance are as follows:

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 4,337	\$ -
Amounts received during the year	789,374	679,034
Amounts recognized as revenue during the year	<u>(401,890)</u>	<u>(674,697)</u>
	<u>\$ 391,821</u>	<u>\$ 4,337</u>

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4. 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. As there are no terms or conditions with respect to this funding, the balance of the contributed surplus has been transferred to the general fund.

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5. 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 and renewed January 22, 2016. CELA has contracted CNIB to produce, house and distribute alternate format materials.

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.

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6. 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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7. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of public accountants. Certain of the prior year figures have been reclassified to conform to the current year's presentation.

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