

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Financial Statements**

**March 31, 2025**



MacDonald &  
Murphy Inc.

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**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**  
**Index to Financial Statements**  
**Year Ended March 31, 2025**

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	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Revenues and Expenses	3
Statement of Changes in Net Debt	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 12



## INDEPENDENT AUDITOR'S REPORT

To the Members of Pictou-Antigonish Regional Library Board

### *Opinion*

We have audited the financial statements of Pictou-Antigonish Regional Library Board (the "organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenses, changes in net 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 organization as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 organization in accordance with 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 comparative period of March 31, 2024 has been restated. Details of the restatement are included in Note 13.

### *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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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Independent Auditor's Report to the Members of Pictou-Antigonish Regional Library Board (*continued*)

*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 organization'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 organization'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 organization 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.

New Glasgow, Nova Scotia  
June 12, 2025

*MacDonald & Murphy Inc.*  
Chartered Professional Accountants



MacDonald &  
Murphy Inc.

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**  
**Statement of Revenues and Expenses**  
**Year Ended March 31, 2025**

	Budget 2025	Admin Ops	Special Project Ops	Total Actual 2025	Total Actual 2024
<i>Restated</i>					
<b>Revenue</b>					
Grants (Note 5)	\$ 2,074,863	\$ 2,032,763	\$	\$ 2,032,763	\$ 2,007,563
Special Projects (Note 14)			598,483	598,483	198,018
Administration revenue	72,967	37,088		37,088	30,353
Donations and fundraising (Note 6)		104,022	4,952	108,974	27,202
Book sales and photocopies		39,010		39,010	32,719
	<u>2,147,830</u>	<u>2,212,883</u>	<u>603,435</u>	<u>2,816,318</u>	<u>2,295,855</u>
<b>Expenses</b>					
Operations					
Advertising, promotion and other	2,000	59		59	2,458
Audit, legal and other fees	9,907	10,011	9,989	20,000	18,976
Automated system	38,850	38,850		38,850	38,119
Employee benefits	305,500	280,964		280,964	279,826
Equipment maintenance	15,464	23,740		23,740	29,472
Insurance	25,596	25,803		25,803	23,173
Interest and bank charges	5,704	10,462		10,462	9,239
Interest on long term debt		4,211		4,211	1,899
Library materials	106,000	105,866	100,000	205,866	144,223
Programming	5,000	4,511		4,511	5,778
Salaries and wages	1,457,194	1,468,566	98,486	1,567,052	1,508,984
Shipping		14,287		14,287	14,295
Supplies	33,615	28,697	248,051	276,748	150,497
Travel and meetings	5,000	6,257	5,044	11,301	7,281
Vehicle operation	20,000	31,258		31,258	35,159
	<u>2,029,830</u>	<u>2,053,542</u>	<u>461,570</u>	<u>2,515,112</u>	<u>2,269,379</u>
Building costs					
Building repairs and maintenance	1,000	3,941		3,941	3,387
Telephone	9,000	9,149		9,149	8,668
Rental	73,000	72,333		72,333	72,333
Janitorial services	15,000	19,139		19,139	13,649
	<u>2,127,830</u>	<u>2,158,104</u>	<u>461,570</u>	<u>2,619,674</u>	<u>2,367,416</u>
<b>Excess revenue (expenses)</b>	<b>\$ 20,000</b>	<b>\$ 54,779</b>	<b>\$ 141,865</b>	<b>\$ 196,644</b>	<b>\$ (71,561)</b>

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**  
**Statement of Changes in Net Debt**  
**Year Ended March 31, 2025**

	Unrestricted Actual	Unrestricted Actual Special Project Ops	Invested in Capital Assets	2025 Total	2024 Total <i>Restated</i>	
	Budget	Admin Ops				
<b>Net debt - beginning of year As previously reported</b>	\$	\$ (350,942)	\$ 57,801	\$ 117,013	\$ (176,128)	\$ (84,421)
<b>Prior period wage adjustment (Note 13)</b>		(29,260)			(29,260)	
<b>As restated</b>		(380,202)	57,801	117,013	(205,388)	(84,421)
<b>Excess of revenue over expenses</b>	20,000	54,779	141,865		196,644	(71,561)
<b>Amortization of capital assets</b>			(33,837)		(33,837)	(34,601)
<b>Purchase of capital assets - Admin Ops</b>		(20,000)				
<b>Purchase of capital assets - Special Project Ops</b>			(143,935)		(143,935)	(22,117)
<b>Gain (loss) on disposal of capital assets</b>			(7)		(7)	7,312
<b>Repayment of long term debt</b>		(14,232)		14,232		
<b>Change in net assets for year</b>	40,547	(2,070)	(19,612)	18,865	(91,707)	
<b>Net debt - end of year</b>	\$ (339,655)	\$ 55,731	\$ 97,401	\$ (186,523)	\$ (205,388)	

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**  
**Statement of Financial Position**  
**March 31, 2025**

	2025	2024 <i>Restated</i>
<b>ASSETS</b>		
<b>Current</b>		
Cash		
Operating	\$ 10,171	\$
One Card Project (Note 11)	276,301	271,159
New Glasgow Renovations	3,668,570	
Special Projects and CAP	10,139	9,840
	3,965,181	280,999
Accounts receivable (net of allowance for doubtful accounts - \$nil; 2024 - \$nil)	17,840	6,040
Prepaid expenses	22,460	22,845
HST receivable	27,406	20,387
	4,032,887	330,271
<b>Capital assets (Note 3)</b>	<b>107,222</b>	<b>141,567</b>
	<b>\$ 4,140,109</b>	<b>\$ 471,838</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Bank indebtedness (Note 4)	\$	\$ 29,766
Accounts payable and accruals (Note 7)	4,066,349	422,271
Current portion of long term debt (Note 9)	15,335	14,232
Deferred revenue (Note 8)	217,461	168,135
	4,299,145	634,404
<b>Long term debt (Note 9)</b>	<b>27,487</b>	<b>42,822</b>
	<b>4,326,632</b>	<b>677,226</b>
<b>NET ASSETS</b>		
<b>Unrestricted</b>		
Admin Ops	(339,655)	(380,202)
Special Project Ops	55,731	57,801
	(283,924)	(322,401)
<b>Investment in capital assets</b>	<b>97,401</b>	<b>117,013</b>
	<b>(186,523)</b>	<b>(205,388)</b>
	<b>\$ 4,140,109</b>	<b>\$ 471,838</b>

ON BEHALF OF THE BOARD

\_\_\_\_\_ Director  
 \_\_\_\_\_ Director

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Statement of Cash Flows**

**Year Ended March 31, 2025**

	2025	2024 <i>Restated</i>
<b>Operating activities</b>		
Excess revenue (expenses)	\$ 196,644	\$ (71,561)
Changes in non-cash working capital:		
Accounts receivable	(11,800)	2,745
Accounts payable and accruals	3,644,079	(63,164)
Deferred revenue	49,326	29,659
Prepaid expenses	385	(376)
HST receivable	(7,019)	3,043
	<u>3,674,971</u>	<u>(28,093)</u>
	<u>3,871,615</u>	<u>(99,654)</u>
<b>Investing activities</b>		
Additions to capital assets	(143,935)	(75,629)
Proceeds on disposal of capital assets	500	8,500
	<u>(143,435)</u>	<u>(67,129)</u>
<b>Financing activities</b>		
Proceeds from long term financing		41,853
Repayment of long term debt	(14,232)	(28,403)
	<u>(14,232)</u>	<u>13,450</u>
<b>Increase (decrease) in cash flow</b>	<b>3,713,948</b>	<b>(153,333)</b>
<b>Cash - beginning of year</b>	<b>251,233</b>	<b>404,566</b>
<b>Cash - end of year</b>	<b>\$ 3,965,181</b>	<b>\$ 251,233</b>
<b>Cash consists of:</b>		
Operating	\$ 10,171	\$ (29,766)
One Card Project	276,301	271,159
New Glasgow renovations	3,668,570	
Special Projects and CAP	10,139	9,840
	<u>\$ 3,965,181</u>	<u>\$ 251,233</u>

**1. Purpose of the organization**

Pictou-Antigonish Regional Library Board (PARL) provides library and other literary services to the Towns and communities of the Counties of Pictou and Antigonish, Nova Scotia. The Library is a non-profit organization and is exempt from income tax.

**2. Summary of significant accounting policies**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

**Capital assets**

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Equipment	20%
Motor vehicles	30%

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

**Cash**

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

**Contributed goods and services**

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

**Financial instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**Fund accounting**

Contributions are recorded under the restricted fund method of accounting.

The unrestricted fund accounts for the organization's program delivery and administrative activities.

The capital fund reports the vehicles and equipment owned by the organization and how these assets are financed. Funds received through capital assistance programs are recorded as additions to the investment in capital assets.

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**2. Summary of significant accounting policies (continued)**

**Measurement uncertainty**

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the organization's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of capital assets;
- the estimated useful lives of assets;

Estimates are based on a number of factors including historical experience, current events and actions that the Organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

**Revenue recognition**

Unrestricted contributions are recognized in the operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the expense is incurred. All other restricted contributions are recognized in the appropriate funds.

Investment income is recognized in the fund to which the resources are related. Investment income includes dividends and interest income. Unrealized gains and losses on available-for-sale financial assets are included directly in net assets until the asset is removed from the statement of financial position.

**3. Capital assets**

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Equipment	\$ 1,574,886	\$ 1,507,040	\$ 67,846	\$ 84,807
Motor vehicles	102,940	63,564	39,376	56,760
	<b>\$ 1,677,826</b>	<b>\$ 1,570,604</b>	<b>\$ 107,222</b>	<b>\$ 141,567</b>

**4. Bank indebtedness**

The Organization has a bank overdraft available to a maximum of \$101,000 for short term purposes through its financial services agreement. This agreement requires the Organization to pay interest at a rate of prime plus 5% on the balance of overdrawn amounts with the balance being payable upon demand. As at March 31, 2025, \$nil was utilized (2024 - \$40,981).

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Notes to Financial Statements**

**Year Ended March 31, 2025**

**5. Grants**

	Budget	2025	2024
The Province of Nova Scotia	\$ 1,493,200	\$ 1,451,100	\$ 1,425,900
Municipality of the County of Pictou	195,112	195,112	195,112
Municipality of the County of Antigonish	131,053	131,053	131,053
The Town of New Glasgow	83,406	83,406	83,406
The Town of Stellarton	41,680	41,680	41,680
The Town of Antigonish	38,821	38,821	38,821
The Town of Pictou	33,841	33,841	33,841
The Town of Westville	33,493	33,493	33,493
The Town of Trenton	24,257	24,257	24,257
	<u>\$ 2,074,863</u>	<u>\$ 2,032,763</u>	<u>\$ 2,007,563</u>

**6. Donations**

	2025	2024
Donations	\$ 99,782	\$ 18,876
Maria C. Stewart Trust	4,240	4,250
Special Projects	4,952	4,076
	<u>\$ 108,974</u>	<u>\$ 27,202</u>

**7. Accounts payable and accruals**

	2025	2024
		<i>Restated</i>
Trade payables and accruals	\$ 63,478	\$ 92,263
Deferred payables	3,726,570	54,270
One Card Project (Note 11)	276,301	275,738
	<u>\$ 4,066,349</u>	<u>\$ 422,271</u>

**8. Deferred revenue**

	2025	2024
Friends of Antigonish Library (FOAL) (Note 14)	\$	\$ 9
CAP sites (Note 14)	9,402	9,705
Other various projects (Note 14)	140,759	91,121
Total Special Projects	150,161	100,835
Province of Nova Scotia	67,300	67,300
	<u>\$ 217,461</u>	<u>\$ 168,135</u>

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Notes to Financial Statements**

**Year Ended March 31, 2025**

**9. Long term debt**

	<u>2025</u>	<u>2024</u>
Term loan bearing interest at 7.29% per annum, repayable in monthly blended payments of \$663. The loan matures on May 25, 2026 and is secured by vehicle with a net book value of \$10,411.	\$ 8,860	\$ 15,892
Term loan bearing interest at 7.69% per annum, repayable in monthly blended payments of \$388. The loan matures on February 5, 2029 and is secured by vehicle with a net book value of \$28,234.	<u>33,962</u>	<u>41,162</u>
	<b>42,822</b>	57,054
Amounts payable within one year	<u>(15,335)</u>	<u>(14,232)</u>
	<b>\$ 27,487</b>	<b>\$ 42,822</b>

Principal repayment terms are approximately:

2026	\$ 15,335
2027	9,690
2028	9,059
2029	<u>8,738</u>
	<b>\$ 42,822</b>

**10. Financial instruments**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. In order to reduce its credit risk, the organization has a planning and budgeting process in place to help determine the funds required to support the normal operating requirements on an ongoing basis. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Notes to Financial Statements**

**Year Ended March 31, 2025**

**11. One Card Project**

The Organization is in receipt of funds from the Province of Nova Scotia and other public library branches in the Province to provide support to the library branches within Nova Scotia. The expenditures that are incurred to provide this support are drawn upon these funds as per the schedule below.

	<u>2025</u>	<u>2024</u>
<b>Funding</b>		
Deferred funding, beginning	\$ 275,738	\$ 367,954
Current year funds received	340,093	333,673
Deferred funding, ending	<u>(276,301)</u>	<u>(275,738)</u>
	<u>339,530</u>	<u>425,889</u>
<b>Expenditures</b>		
Admin	100	
Advertising	2,921	
Bank charges	139	151
Meeting and travel	1,454	
Professional fees	259,428	254,334
Programming	3,000	
Shipping and postage		99,999
Software	72,488	71,387
Supplies		18
	<u>339,530</u>	<u>425,889</u>
<b>Net surplus (deficit)</b>	<u>\$</u>	<u>\$</u>
<b>Assets and liabilities</b>		
Same Page project bank	\$ 276,301	\$ 271,159
Due from PARL operating		4,579
Deferred payable (Note 7)	<u>\$ 276,301</u>	<u>\$ 275,738</u>

**12. Pension plan**

The Organization has contributed \$54,023 (2024 - \$48,488) to the employee's defined contribution plan for the year ended March 31, 2025.

**13. Prior period adjustment**

An adjustment has been made to the period ended March 31, 2024 resulting in a increase of the net expenses over revenue for the period as previously stated as (\$42,301) to (\$71,561). The expenses for salaries and wages were previously understated by \$29,260. Correspondingly the accounts payable was also understated by \$29,260.

The adjustment has been reflected in the comparative results and to the current year opening net assets, increasing the net debt as previously stated (\$176,128) to (\$205,388).

**PICTOU-ANTIGONISH REGIONAL LIBRARY BOARD**

**Year Ended March 31, 2025**

**Notes to Financial Statements**

**14. Special Projects**

The revenue for the following special projects has been presented separately in the Statement of Operations while the expenses form part of the overall operations expenses on Page 3. The capital asset purchases are shown as part of the Statement of Changes in Net Assets per Page 4.

	Friends of Antigonish Library (FOAL) Funds		CAP Funds		Other Various Projects		Pictou Library		2025	2024		
<b>Revenue</b>												
Deferred funding, beginning	\$	9	\$	9,705	\$	91,121	\$	324,005	\$	100,835	\$	138,476
Current year funds received		4,943		265		323,548		324,005		652,761		164,453
Deferred funding, ending				(9,402)		(136,602)		(4,157)		(150,161)		(100,835)
<b>Income, current year</b>		4,952		568		278,067		319,848		603,435		202,094
<b>Expenses</b>												
Library materials						9,989		100,000		100,000		8,454
Professional fees						92,012		6,474		98,486		50,906
Salaries and benefits						167,029		75,646		248,051		117,762
Supplies		4,918		458		4,215		829		5,044		3,110
Travel												
<b>Total expenditures</b>		4,918		458		273,245		182,949		461,570		180,232
<b>Capital assets Purchases</b>						6,673		137,262		143,935		22,117
<b>Net surplus (deficit)</b>	\$	34	\$	110	\$	(1,851)	\$	(363)	\$	(2,070)	\$	(255)