SURREY PUBLIC LIBRARY

STATEMENT OF FINANCIAL INFORMATION

Year Ended December 31, 2010

(In Compliance with the Public Bodies Financial Information Act Statutes of British Columbia, Chapter 140)

Section	**Section Number**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Beth Barlow

Beth Barlow
Chief Librarian

June 23, 2011

The Financial Statements contained in this Statement of Financial Information have been prepared on behalf of the Library Board in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are the responsibility of the Library Board. The Library Board is also responsible for all statements and schedules and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The Library Board is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The Library Board has the responsibility for assessing the management systems and practices of the Library.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Financial Information Act. Their examination includes a review and evaluation of the Library's system of internal controls and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and fair access to the Library Board.

On behalf of The Surrey Public Library

Beth Barlow

Beth Barlow
Chief Librarian
June 23, 2011

SURREY PUBLIC LIBRARY

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees

We have audited the accompanying financial statements of the Surrey Public Library, which comprise the statement of financial position as at December 31, 2010 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes, comprising 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 generally accepted 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.

Auditors' 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 our 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, we consider 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Surrey Public Library as at December 31, 2010 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Schedules 1 and 2 are presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

KPMG LLP

Chartered Accountants

April 14, 2011

Burnaby, Canada

STATEMENT OF FINANCIAL POSITION

As at December 31

	2010	2009
FINANCIAL ASSETS		
Due from City of Surrey *(note 2)*	**$ 1,364,987**	$ 1,199,757
FINANCIAL LIABILITIES		
Employee future benefits *(note 3)*	**1,024,603**	834,402
Deferred revenue *(note 4)*	**132,331**	175,972
	1,156,934	1,010,374
NET FINANCIAL ASSETS	**208,053**	189,383
NON-FINANCIAL ASSETS		
Tangible capital assets *(note 5)*	**$ 5,212,969**	$ 5,294,778
Prepaid expenses	**45,470**	43,239
	5,258,439	5,338,017
ACCUMULATED SURPLUS *(note 7)*	**$ 5,466,492**	$ 5,527,400

Beth Barlow
Chief Librarian

Jas Cheema
Chairperson

To be read in conjunction with the Notes to the Financial Statements

STATEMENT OF OPERATIONS

For the year ended December 31

	2010 Budget (unaudited *note 1b)*	**2010**	2009
REVENUES			
City of Surrey grant	$ 10,161,000	**$ 11,384,921**	$ 10,988,059
Provincial & Federal grants *(note 6)*	899,000	**922,340**	1,034,913
Contribution of tangible capital assets	–	**788,437**	224,463
Fines and fees	590,000	**590,756**	595,214
Other	100,000	**179,369**	324,119
	11,750,000	**13,865,823**	13,166,768
EXPENSES			
Salaries and benefits	9,382,000	**9,504,858**	9,174,531
Site operations	1,362,000	**1,235,265**	1,289,196
Library materials collection	377,000	**392,823**	362,826
Supplies	211,500	**228,105**	197,338
Inter-library services	118,000	**139,176**	131,737
Professional services	147,000	**151,403**	102,869
Other	152,500	**159,712**	161,267
Amortization	–	**2,115,389**	2,058,092
	$ 11,750,000	**$ 13,926,731**	$ 13,477,856
Annual Deficit	–	**(60,908)**	(311,088)
Accumulated surplus, beginning of year		**5,527,400**	5,838,488
Accumulated surplus, end of year		**$ 5,466,492**	$ 5,527,400

To be read in conjunction with the Notes to the Financial Statements

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

As at December 31

	Budget *(unaudited notes 1b)*	2010	2009
ANNUAL DEFICIT	$ –	**$ (60,908)**	$ (311,088)
Acquisition of tangible capital assets	–	**(2,033,580)**	(1,625,806)
Amortization of tangible capital assets	–	**2,115,389**	2,058,092
	–	**20,901**	121,198
Acquisition of prepaid expenses	–	**(45,470)**	(43,239)
Use of prepaid expenses	–	**43,239**	48,943
	–	**(2,231)**	5,704
Change in net financial assets	–	**18,670**	126,902
Net financial assets (net debt), beginning of year	189,383	**189,383**	62,481
NET FINANCIAL ASSETS, end of year	$ 189,383	**$ 208,053**	$ **189,383**

To be read in conjunction with the Notes to the Financial Statements

STATEMENT OF CASH FLOWS

For the year ended December 31

		2010		2009
Cash provided by (used in):				
OPERATIONS				
Annual Deficit	$	(60,908)	$	(311,088)
Items not involving cash				
Amortization		2,115,389		2,058,092
Contribution of tangible capital assets		(788,437)		(224,463)
Change in non-cash assets and liabilities				
Increase in employee future benefits		190,201		93,159
Increase (decrease) in deferred revenue		(43,641)		18,972
Decrease (Increase) in prepaid expenses		(2,231)		5,704
Net change in cash from operating activities		1,410,373		1,640,376
CAPITAL ACTIVITY				
Cash used to acquire tangible capital assets		(1,245,143)		(1,401,343)
Net change in cash from capital activities		(1,245,143)		(1,625,806)
FINANCING ACTIVITY				
Due from the City of Surrey		(165,230)		(239,033)
Net change in cash from financing activities		(165,230)		(239,033)
Net change in cash		–		–
Cash, beginning of year		–		–
Cash, end of year	$	–	$	–

To be read in conjunction with the Notes to the Financial Statements

OPERATIONS

The Surrey Public Library, which is funded and supported primarily by the City of Surrey, was established in 1983 pursuant to the Library Act of British Columbia (Part 2) as a Municipal Public Library. The Library Board, on behalf of the residents and taxpayers of the City of Surrey, oversees the management and operation of the Surrey Public Library and further serves as a policy making body for the organization. The Library Board is appointed by the Council of the City of Surrey.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Surrey Public Library are prepared by management in accordance with Canadian generally accepted accounting principles for municipal financial reporting in British Columbia as recommended by the Public Sector Accounting Board ("PSAB) of the Canadian Institute of Chartered Accountants. These financial statements are included in the Consolidated Financial Statements of the City of Surrey. The significant accounting policies are as follows:

a) Basis of accounting
The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

b) Budget information
The unaudited budget data presented in these Financial Statements was included in the City of Surrey 2010 – 2014 Consolidated Financial Plan and was adopted through By-law #17049 on December 14, 2009 and further revised by By-law #17299 on January 10, 2011.

c) Non-financial assets
Non-financial assets are not available to discharge existing liabilities and are held-for-use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

i) Tangible capital assets
Tangiblecapital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

ASSET	USEFUL LIFE - YEARS
Machinery and office equipment	5-10
Books and publications	5

Land and buildings acquired for Library purposes but are funded by the City are recorded in the City's financial statements and are not included in these financial statements.

Amortization commences when the asset is put into use.

Contributions of tangible capital assets received are recorded at their fair value at the date of receipt and recorded as revenue.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Employee future benefits
The Library and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the Surrey Public Library's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

e) Government transfers
Restricted transfers from governments are deferred and recognized as revenue in the year in which the related expenditures are incurred. Unrestricted transfers are recognized as revenue when received.

f) Use of estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of accrued employee future benefits and useful lives of tangible capital assets.

Actual results could differ from these estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

g) Segment Disclosure
A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The Library's activities are in only one segment and hence, no additional disclosure is required.

2. DUE FROM THE CITY OF SURREY

All cash transactions of the Surrey Public Library are handled by the City of Surrey, including payroll and accounts payable processing. The amount shown as due from City of Surrey represents the net cash balance held by the City of Surrey owed to the Surrey Public Library.

3. EMPLOYEE FUTURE BENEFITS

The Surrey Public Library provides certain post-employment and sick leave benefits to its employees. These benefits include accumulated non-vested sick leave, postemployment service pay and post-employment top-ups for dental, life insurance and accidental death and dismemberment insurance.

		2010		2009
ACTUARIAL BENEFIT LIABILITY				
Balance, beginning of year	**$**	**834,402**	$	741,243
Current service cost		**107,800**		59,400
Interest cost		**59,800**		44,500
Benefits paid		**(8,899)**		(12,341)
Amortization of actuarial loss		**31,500**		1,600
Balance, end of year	**$**	**1,024,603**	$	834,402

An actuarial valuation for these benefits was performed to determine the Library's accrued benefit obligation as at December 31, 2010. The difference between the actuarially determined accrued benefit obligation of $1,644,200 and the accrued benefit liability of $1,024,603 as at December 31, 2010 is an unamortized actuarial loss of $619,597. The actuarial loss is amortized over a period equal to the employees' average remaining service lifetime.

		2010		2009
ACTUARIAL BENEFIT OBLIGATION:				
Accrued benefit obligation, end of year	**$**	**1,024,603**	$	834,402
Unamortized actuarial loss		**619,597**		301,997
Liability, end of year	**$**	**1,644,200**	$	1,136,399

The total expenses recorded in the financial statements in respect of obligations under these plans amount to $198,500 (2009 - $105,500).

Actuarial assumptions used to determine the Library's accrued benefit obligation are as follows:

	2010	2009
Discount rate	**4.50%**	5.00%
Expected future inflation rate	**2.00%**	2.00%
Expected wage and salary inflation	**2.50%**	3.00%
Expected wage and salary range increases	**0.50%**	1.00%

4. DEFERRED REVENUE

	2010	2009
Balance, beginning of year	**$ 175,972**	$ 157,000
Amounts received for grants, sponsorships and other	**99,864**	100,972
Amounts recognized as Provincial & Federal grants revenue	**(143,505)**	(82,000)
Balance, end of year	**$ 132,331**	$ 175,972

5. TANGIBLE CAPITAL ASSETS

Cost	Balance December 31, 2009	Additions/ Adjustments	Disposals / Write-downs / Allocation	**Balance December 31, 2010**
Machinery and equipment	$ 776,468	$ 2,267	$ 41,580	**$ 737,155**
Books and publications	10,089,728	2,031,313	1,691,738	**10,429,303**
Total	$ 10,866,196	$ 2,033,580	$ 1,733,318	**$ 11,166,458**

Accumlated Amortization	Balance December 31, 2009	Amortization	Accumulated Amortization on Disposals	**Balance December 31, 2010**
Machinery and equipment	$ 467,357	$ 55,236	$ 41,580	**$ 481,013**
Books and publications	5,104,061	2,060,153	1,691,738	**5,472,476**
Total	$ 5,571,418	$ 2,115,389	$ 1,733,318	**$ 5,953,489**

	Net Book Value December 31, 2009	Net Book December 31, 2010
Machinery and equipment	$ 309,111	$ 256,142
Books and publications	4,985,667	4,956,827
Total	$ 5,294,778	$ 5,212,969

6. GOVERNMENT TRANSFERS

The Library recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the Statement of Operations are:

	2010	2009
Revenue		
Provincial grants:		
Operating	**$ 865,973**	$ 887,756
BC One Card	**36,244**	125,500
Resource Sharing	**5,398**	7,507
Subtotal provincial grants	**$ 907,615**	$ 1,020,763
Federal grants		
Urban Aboriginal Strategy	**14,725**	14,150
Subtotal federal grants	**14,725**	14,150
Total revenues	**$ 922,340**	$ 1,034,913

7. ACCUMULATED SURPLUS

	2010	2009
Appropriated for Materials on Order	**$ 577,710**	$ 508,904
Unappropriated Surplus	**173,338**	221,243
Tangible Capital Assets	**5,212,969**	5,294,778
Unfunded Employee Future Benefits	**(497,525)**	(497,525)
	$ 5,466,492	$ 5,527,400

8. PENSION PLAN

The Library and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 163,000 active members, approximately 60,000 retired members and 30,000 inactive members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of $1.024 billion for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. The Library paid $552,000 for employer's contributions to the Plan in fiscal 2010 (2009 - $344,000). Employees paid $489,000 (2009 - $252,000) for employee contributions to the Plan in fiscal 2010.

9. COMPARATIVE FIGURES

Certain 2009 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

SUPPLEMENTARY FINANCIAL INFORMATION

Schedule 1 STATEMENT OF FINANCIAL POSITION BY FUND

As at December 31

	Operating Fund	Capital Fund	2010	2009
FINANCIAL ASSETS				
Due from the City of Surrey	$ 1,364,987	$ –	**$ 1,364,987**	$ 1,199,757
	1,364,987	–	**1,364,987**	1,199,757
FINANCIAL LIABILITIES				
Employee future benefits	1,024,603	–	**1,024,603**	834,402
Deferred revenue	132,331	–	**132,331**	175,972
	1,156,934	–	**1,156,934**	1,010,374
Net Financial Assets	208,053	–	**208,053**	189,383
NON-FINANCIAL ASSETS				
Tangible capital assets	–	5,212,969	**5,212,969**	5,294,778
Prepaid expenses	45,470	–	**45,470**	43,239
	45,470	5,212,969	**5,258,439**	5,338,017
Accumulated Surplus	$ 253,523	$ 5,212,969	**$ 5,466,492**	$ 5,527,400

For the year ended December 31

	Operating Fund	Capital Fund	2010	2009
REVENUES				
City of Surrey operating grant	$ 10,161,000	$ –	**$ 10,161,000**	$ 9,721,706
City of Surrey capital grant	–	1,223,921	**1,223,921**	1,266,353
Provincial & federal grants	922,340	–	**922,340**	1,034,913
Contribution of tangible capital assets	–	788,437	**788,437**	224,463
Fines and fees	590,756	–	**590,756**	595,214
Other	158,148	21,221	**179,369**	324,119
	11,832,244	2,033,579	**13,865,823**	13,166,768
EXPENSES				
Salaries and benefits	9,504,858	–	**9,504,858**	9,174,531
Site operations	1,235,265	–	**1,235,265**	1,289,196
Library materials collection	392,823	–	**392,823**	362,826
Supplies	228,105	–	**228,105**	197,338
Professional services	151,403	–	**151,403**	102,869
Inter-library services	139,176	–	**139,176**	131,737
Other	159,713	–	**159,713**	161,267
Amortization expense	–	2,115,388	**2,115,388**	2,058,092
	11,811,343	2,115,388	**13,926,731**	13,477,856
Annual surplus (deficit)	20,901	(81,809)	**(60,908)**	(311,088)
Accumulated surplus, beginning of year	232,622	5,294,778	**5,527,400**	5,838,488
Accumulated surplus, end of year	$ 253,523	$ 5,212,969	**$ 5,466,492**	$ 5,527,400

A Schedule of Debts has not been prepared because the Surrey Public Library does not have any outstanding debt as of December 31, 2010.

Prepared under the Financial Information Regulation, Schedule 1, section 4

A Schedule of Guarantees and Indemnity payments has not been prepared because the Surrey Public Library has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, section 5

Regulations require the Surrey Public Library to report the total amount of remuneration for each employee that exceeds $75,000 in the year reported. However, certain exceptions have been noted below:

1. Certain employees were hired part way through the year and their remuneration does not reflect a full years cost.

2. Some employees terminated their employment part way through the year and their remuneration does not reflect a full year's cost.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(2)

Surrey Public Library
Schedule of Remuneration and Expenses
For the Year Ended December 31, 2010
Board, Employees and Reconciliation of Remuneration to Financial Statements

MEMBERS OF THE LIBRARY BOARD	BASE SALARY REMUNERATION	TAXABLE BENEFIT & OTHER	TOTAL EXPENSES
Jay Fettinger	$ -	$ -	$ 150.00
Muhammad Malik	-	-	84.00
TOTAL MEMBERS OF LIBRARY BOARD	**$ -**	**$ -**	**$ 234.00**

NAME	BASE SALARY REMUNERATION	TAXABLE BENEFIT & OTHER	TOTAL EXPENSES
Barlow,Beth	149,917.08	9,527.14	3,588.73
Bhogal,Surinder K.	91,077.74	2,173.22	876.00
Brajcich,Jennifer M.	91,077.61	2,197.96	428.40
Conn,David R.	79,810.95	2,722.81	39.20
Cox,April L.	81,876.13	2,289.39	247.65
De Boeck,Carol J.	91,077.61	2,209.46	1,103.49
Ho,Michael C.	103,934.91	4,118.17	3,778.09
Houlden,Melanie G.	118,606.91	2,793.96	2,098.94
Knight,Jane M.	97,764.51	1,648.15	279.65
Murphy,Mary P.	78,262.25	1,417.73	232.56
Prophet,Katherine T.	77,223.77	2,162.67	-
Walsh,W. James	79,810.92	1,528.34	664.56
TOTAL EMPLOYEES OVER $75,000	**$ 1,140,440.39**	**$ 34,789.00**	**$ 13,337.27**
TOTAL EMPLOYEES UNDER $75,000	**$ 6,652,488.12**	**$ 381,208.36**	**$ 25,237.32**
TOTAL ALL	**$ 7,792,928.51**	**$ 415,997.36**	**$ 38,808.59**

"Taxable Benefit & Other" included payout of earned time for vacation, gratuity payments, pay for performance, banked time, and/or vehicle allowances

RECONCILIATION:

Base salary remuneration	$ 7,792,928.51
Taxable benefit & other	415,997.36
Reconciling items:	
Less: Prior-Year Accrual	- 115,873.45
Add: Current-Year Accrual	181,642.96
Total remuneration - employees	8,274,695.38
Reconciling items:	
Add benefit overhead	1,230,053.78
Total salary and benefits per financial statements	$ 9,504,749.16

There were **no** severance agreements made between the Surrey Public Library and its non-unionized employees during the fiscal year ending December 31, 2010.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

Regulations require the Surrey Public Library to report the total amount paid to each supplier for goods and services that exceeds $25,000 in the year reported.

Prepared under the Financial Information Regulation, Schedule 1, subsection 7(1)

Surrey Public Library
Schedule of Payments to Suppliers for
Goods and Services
For the year ended December 31, 2010

SUPPLIER NAME		AGGREGATE AMOUNT PAID TO SUPPLIERS
3M CANADA COMPANY COMPAGNIE 3M CANADA		95,566.59
ARGUS CARRIERS LTD.		125,194.04
ASIAN PUBLICATIONS		36,374.01
B C HYDRO & POWER AUTHORITY		147,367.70
BEEDIE 132ND STREET SURREY LP		100,594.70
BRITISH COLUMBIA LIBRARY ASSOCIATION		65,434.56
CLEAN FOR YOU CLEANING SERVICES LTD.		45,238.88
CVS MIDWEST TAPE LLC		102,583.08
EBSCO CANADA LTD.		51,659.39
IMPERIAL HOBBIES		31,850.78
OMNI FACILITY SERVICES CANADA LIMITED		65,098.52
PRIME BUILDING MAINTENANCE LTD.		134,883.57
PUBLIC LIBRARY INTERLINK		240,270.85
RECORDED BOOKS,LLC		34,164.52
RIOKIM HOLDINGS (STRAWBERRY HILL) INC.		100,599.99
SIRSI CORP DBA: SIRSIDYNIX		28,020.00
STRICKER BOOKS		51,029.32
TERASEN GAS INC.		53,620.22
THE NEWS GROUP		75,194.42
TRI-FORCE SECURITY SERVICES LTD.		110,343.13
UNITED LIBRARY SERVICES INC.		460,523.07
VANCOUVER KIDSBOOKS		482,091.07
PAYMENTS TO SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS EXCEEDING $25,000	**$**	**2,637,702.41**
CONSOLIDATED TOTAL PAID TO SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS OF $25,000 OR LESS	**$**	**780,073.58**

Surrey Public Library
Schedule of Payments to Suppliers for Goods and Services
For the year ended December 31, 2010
Reconciliation to Financial Statements

RECONCILIATION:				**2010**
Total of aggregate payments exceeding $25,000 paid to suppliers			$	2,637,702
Consolidated total of payments of $25,000 or less paid to suppliers				780,074
Employee and Board remuneration expenses				38,809
Less: Net capital acquisitions				
Cash used to acquire tangible capital assets	-	1,245,143		
Amortization expense		2,115,388		
Reconciling capital item *		49,573		
Less: Net capital acquisitions				919,818
Add: Acquisition of prepaid expenses				45,470
Total Library per Statement of Operations			**$**	**4,421,873**

Total Statement of Operations	$	13,926,731
Less: Salary and Benefits per Statement of Operations	-	9,504,858
Total Library per Statement of Operations	**$**	**4,421,873**

* The Library Financial Statements are prepared using the accrual method of accounting, whereas the supplier payments schedule is prepared on a cash basis. The Library supplier payment schedule includes expenditures on both capital and operations.