

Financial Statements of

**THE COUNTY OF
PRINCE EDWARD
PUBLIC LIBRARY BOARD**

Year ended December 31, 2018

Financial Statements of

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Year ended December 31, 2018

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

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INDEPENDENT AUDITORS' REPORT

To the Chairperson and Members of The County of Prince Edward Public Library Board

Opinion

We have audited the financial statements of The County of Prince Edward Public Library Board ("the Corporation"), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2018, and its results of operations and accumulated surplus, 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 "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



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 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Corporation 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

May 22, 2019

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Statement of Financial Position


December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets:		
Cash	\$ 936,800	\$ 585,876
Accounts receivable	49,366	85,727
	986,166	671,603
Financial liabilities:		
Accounts payable and accrued liabilities	156,406	139,569
Deferred revenue (note 3)	511,731	211,704
	668,137	351,273
Net financial assets	318,029	320,330
Non-financial assets:		
Tangible capital assets (note 8)	448,898	437,204
Prepaid expenses	11,095	9,023
	459,993	446,227
Commitments (note 7)		
Accumulated surplus (note 4)	\$ 778,022	\$ 766,557

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

On behalf of the Board:

 Board Chair

 Chief Executive Officer

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Statement of Operations and Accumulated Surplus

Year ended December 31, 2018, with comparative information for 2017

	Budget 2018 (note 6)	Actual 2018	Actual 2017
Revenue:			
Government transfers (note 9)	\$ 1,257,799	\$ 1,281,332	\$ 1,253,912
Archives	2,700	3,670	2,625
Desk revenue	13,000	24,294	23,599
Donations and fundraising	14,000	11,954	117,736
Interest and other	10,673	13,165	6,832
	1,298,172	1,334,415	1,404,704
Expenses:			
Wages and benefits	960,180	930,211	938,737
Amortization	—	91,520	91,921
Repairs and maintenance	80,000	91,280	89,024
Utilities and telephone	70,000	66,975	65,890
Programming and publicity	12,000	39,400	23,558
Licensing	25,000	32,464	32,224
Office supplies and equipment rental	15,000	20,452	18,477
Mileage	12,000	11,904	11,978
Computers, furnishings and equipment	15,000	11,676	32,037
Insurance	7,992	6,826	6,826
Professional fees	10,500	8,537	6,886
Archives	4,000	5,687	4,683
Miscellaneous	1,500	675	1,825
Training and seminars	5,000	3,928	4,463
Periodicals	5,000	5,415	6,001
	1,223,172	1,326,950	1,334,530
Excess of revenue over expenses before the undernoted item	75,000	7,465	70,174
Other income related to capital: Transfer from trust funds	—	4,000	4,000
Annual surplus	75,000	11,465	74,174
Accumulated surplus, beginning of year		766,557	692,383
Accumulated surplus, end of year		\$ 778,022	\$ 766,557

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

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Statement of Change in Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	Budget 2018 (note 6)	Actual 2018	Actual 2017
Annual surplus	\$ 75,000	\$ 11,465	\$ 74,174
Amortization of tangible capital assets	–	91,520	91,921
Acquisition of tangible capital assets	(75,000)	(103,214)	(92,287)
Acquisition of prepaid expenses	–	(11,095)	(9,023)
Use of prepaid expenses	–	9,023	18,290
Change in net financial assets	–	(2,301)	83,075
Net financial assets, beginning of year	–	320,330	237,255
Net financial assets, end of year	\$ –	\$ 318,029	\$ 320,330

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

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 11,465	\$ 74,174
Amortization, which does not involve cash	91,520	91,921
Change in non-cash operating capital:		
Accounts receivable	36,361	(44,013)
Prepaid expenses	(2,072)	9,267
Accounts payable and accrued liabilities	16,837	24,052
Deferred revenue	300,027	128,739
Net change in cash from operating activities	454,138	284,140
Capital activities:		
Acquisition of tangible capital assets	(103,214)	(92,287)
Increase in cash	350,924	191,853
Cash, beginning of year	585,876	394,023
Cash, end of year	\$ 936,800	\$ 585,876

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

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2018

1. Significant accounting policies:

The financial statements of The County of Prince Edward Public Library Board (the "Library Board"), a registered charity and a local board of the Corporation of the County of Prince Edward, are the representation of management prepared in accordance with Canadian public sector accounting standards ("PSAS"). Significant aspects of the accounting policies adopted by the Library Board are as follows:

(a) Reporting entity:

- (i) These statements reflect the assets, liabilities, revenue and expenses of the Library Board and include current, capital and reserve activities.
- (ii) Trust Funds and their related operations administered by the Library Board are not reflected in these financial statements but are reported separately on the "Trust Fund Statement of Financial Position and Trust Fund Statement of Continuity".

(b) Basis of accounting:

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Government transfers are recognized in the period in which the events giving rise to the transfers occur, providing the transfers are authorized, eligibility criteria are met, and reasonable estimates of the amounts can be made.

(d) Deferred revenue:

Deferred revenue represents amounts which have been collected for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal period in which the services are performed or the related expenses incurred.

(e) Pledges:

The Library Board records donations when received.

(f) 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.

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(g) Tangible capital assets:

Tangible capital assets are recorded at cost, or at an estimated cost using valuation techniques if historic costs are not available. Cost 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 is amortized on a straight-line basis over their estimated useful lives. Land and buildings remain assets of the Corporation of the County of Prince Edward and are not included in these financial statements.

(i) Asset categories and estimated useful lives:

Asset	Useful Life
Land and leasehold improvements	30 years
Shelving, furniture and equipment	20 to 30 years
Computer hardware and software	5 years
Books	7 years

(ii) Contribution of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Similarly, transfer of assets to third parties is recorded as an expense equal to the net book value of the assets as of the date of transfer.

(iii) Works of art:

Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

(iv) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 revenue and expenses during the period. Actual results could differ from these estimates.

2. Financial instruments:

The Library Board's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities and are carried at cost. Unless otherwise noted, it is management's opinion that the Library Board is not exposed to significant credit, liquidity or market risks arising from these financial instruments. The fair value of the Library Board's financial instruments approximates their carrying value due to their short-term nature.

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Deferred revenue:

	Balance at December 31, 2017	Additions	Transfers to income	Balance at December 31, 2018
Province of Ontario:				
Library Strategic Development				
Fund	\$ 11,842	\$ -	\$ -	\$ 11,842
Pay equity	6,954	-	-	6,954
Heritage Organization				
Development Grant	3,090	-	1,545	1,545
Stark	3,296	-	-	3,296
Government of Canada:				
MTC Capacity Grant	6,856	-	6,856	-
SOLS Internet				
Connectivity	10,037	-	5,000	5,037
Donations:				
Children's programming	1,000	-	-	1,000
Wellington Project	6,355	1,373	-	7,728
Consecon Project	26,929	-	6,604	20,325
Ameliasburgh Project	1,100	-	-	1,100
Bloomfield Project	1,000	-	-	1,000
Milford Project	5,899	600	-	6,499
Picton Project	23,353	318,059	-	341,412
Archives Project	3,022	-	-	3,022
Music lending library	971	-	-	971
Private grants Picton Addition:				
John Parrott Foundation	100,000	-	-	100,000
Total	\$ 211,704	\$ 320,032	\$ 20,005	\$ 511,731

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Accumulated surplus:

The accumulated surplus consists of the following:

	2018	2017
Equity in tangible capital assets	\$ 448,898	\$ 437,204
Reserves - emergency reserves	31,321	30,268
Reserve funds - estate reserves	241,022	239,062
Unrestricted surplus	56,781	60,023
	\$ 778,022	\$ 766,557

Reserves and reserve funds consist of the following:

	Balance at December 31, 2017	Interest earned on reserve funds	Contributions from operations	Balance at December 31, 2018
Reserves - emergency reserves	\$ 30,268	\$ 1,053	\$ -	\$ 31,321
Reserve funds - estate reserves	239,062	5,960	4,000	241,022

5. Trust funds:

Trust funds administered by the Library Board amount to \$11,175 (2017 - \$14,897) as at December 31, 2018.

6. Budget figures:

The approved current fund budget for 2018 is reflected on the Statement of Operations and Accumulated Surplus. Amortization was not contemplated in development of the budget and, as such, has not been included.

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

7. Commitments:

The Library Board has entered into a commitment on July 1, 2018 for 5 years for office equipment. The minimum payments under this lease is as follows:

2019	\$	3,600
2020		3,600
2021		3,600
2022		3,600
2023		1,800
	\$	16,200

8. Tangible capital assets:

Cost	Balance at December 31, 2017	Additions	Disposals	Balance at December 31, 2018
Land and leasehold improvements	\$ 70,837	\$ 8,136	\$ -	\$ 78,973
Shelving, furniture and equipment	165,830	-	-	165,830
Computer hardware and software	118,619	19,555	-	138,174
Books	744,940	75,523	-	820,463
Total	\$ 1,100,226	\$ 103,214	\$ -	\$ 1,203,440

Accumulated amortization	Balance at December 31, 2017	Disposals	Amortization	Balance at December 31, 2018
Land and leasehold improvements	\$ 9,790	\$ -	\$ 2,704	\$ 12,494
Shelving, furniture and equipment	63,090	-	7,485	70,575
Computer hardware and software	106,375	-	6,808	113,183
Books	483,767	-	74,523	558,290
Total	\$ 663,022	\$ -	\$ 91,520	\$ 754,542

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

8. Tangible capital assets (continued):

	Net book value 2017	Net book value 2018
Land and leasehold improvements	\$ 61,047	\$ 66,479
Shelving, furniture and equipment	102,740	95,255
Computer hardware and software	12,244	24,991
Books	261,173	262,173
Total	\$ 437,204	\$ 448,898

9. Government transfers:

Government transfers consist of revenue from various funding agencies as follows:

	Budget 2018 (note 6)	Actual 2018	Actual 2017
Government transfers operating:			
Government of Canada			
Young Canada Works	\$ -	\$ -	\$ 1,965
Province of Ontario:			
Ontario Library Association			7,249
Operating	50,427	50,427	50,427
Pay equity funding	27,816	27,816	27,816
SOLS public internet access	5,000	5,000	2,425
Museum and Technology Fund	-	6,856	-
Service Ontario	2,550	-	2,550
MTC capacity grant	-	-	3,845
Other	11,842	5,837	23,253
Wage subsidy	10,000	21,789	-
County of Prince Edward:			
Operating	1,143,164	1,143,156	1,109,218
Transfer from development charges	7,000	7,000	7,000
	1,257,799	1,267,881	1,235,748
County of Prince Edward:			
Capital	-	13,451	18,164
	\$ 1,257,799	\$ 1,281,332	\$ 1,253,912

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2018

10. Adoption of new accounting policies:

On January 1, 2018, the Library Board adopted Canadian public sector accounting standards PS 2200 Related party disclosures, PS 3420 Inter-entity transactions, PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual rights.

The adoption of these standards did not result in an accounting policy change for the Library Board, and did not result in any adjustments to the financial statements as at January 1, 2018.

11. Related party transactions:

The Library Board receives funds from the Corporation of the County of Prince Edward for operating and capital purposes. In 2018, the Library Board made disbursements for two capital projects where costs were fully recovered from the County of Prince Edward as these projects were enhancements to the actual buildings in Consecon and Picton that are recorded in the books and records as tangible capital assets of the County of Prince Edward. Expenses incurred by the Library Board for the Consecon project totaled \$40,326 and the Picton project totaled \$78,640. These costs have been recovered from the Corporation of the County of Prince Edward and are not reflected in these financial statements.

12. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.



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INDEPENDENT AUDITORS' REPORT

To the Chairperson and Members of The County of Prince Edward Public Library Board,
Members of Council, and Inhabitants and Ratepayers of the County of Prince Edward

Opinion

We have audited the trust fund financial statements of The County of Prince Edward Public Library Board (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of financial activities and changes in fund balance for the year then ended
- and notes to the trust fund financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its results of financial activities and changes in fund balance 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

May 22, 2019

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Trust Fund
Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Cash	\$ 11,175	\$ 14,897
Fund Balance		
Fund balance	\$ 11,175	\$ 14,897

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

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Trust Fund
Statement of Financial Activities and Changes in Fund Balance

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Balance, beginning of year	\$ 14,897	\$ 18,680
Revenue:		
Interest received	278	217
Expenditures:		
Transfer to library operating account	4,000	4,000
Balance, end of year	\$ 11,175	\$ 14,897

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

THE COUNTY OF PRINCE EDWARD PUBLIC LIBRARY BOARD

Trust Fund
Notes to Financial Statements

Year ended December 31, 2018

1. Significant accounting policies:

The financial statements of the Trust Fund of The County of Prince Edward Public Library Board are prepared by management in accordance with Canadian public sector accounting standards.

(a) Basis for accounting:

Revenue and expenditures are recorded on an accrual basis of accounting.

The accrual basis recognizes revenue in the period in which the transactions or events occurred and are measurable. Expenditures are recognized in the period in which they are incurred and measurable and a legal obligation to pay is created.

(b) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 revenue and expenditures during the period. Actual results could differ from those estimates.

2. Statement of cash flows:

A statement of cash flows has not been included in these financial statements as the information is readily determinable.

3. Adoption of new accounting policies:

On January 1, 2018, the Trust Fund of The County of Prince Edward Public Library Board adopted Canadian public sector accounting standards PS 2200 Related party disclosures, PS 3420 Inter-entity transactions, PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual rights.

The adoption of these standards did not result in an accounting policy change for the Trust Fund of The County of Prince Edward Public Library Board, and did not result in any adjustments to the financial statements as at January 1, 2018.