

AGENDA

CPSM Office
1000 – 1661 Portage Avenue

	Time	Item	Action	Presenter	Page #
8:00 am	5 min	1. Opening Remarks		Dr. Elliott	
8:05 am	0 min	2. Agenda	Approval	Dr. Elliott	
8:05 am	5 min	3. AGM Minutes June 21, 2022	Approval	Dr. Elliott	5
8:10 am	5 min	4. Financial Statements i. Summary ii. CPSM Financial Statements iii. Manitoba Quality Assurance Program iv. Child Health Standards and Maternal and Perinatal Health Standards Committee v. Substance Use & Addictions Program vi. Manitoba Practitioner Profile Program	Approval	Dr. Elliott	9
8:15 am	0 min	5. Appointment of Auditors	Approval	Dr. Elliott	50
8:15 am	5 min	6. Bylaw Amendments i. Central Standards Bylaw	Approval	Dr. Elliott	51
8:20 am	0 min	7. Election Results	Information	Dr. Elliott	53
8:20 am	10 min	8. President's Remarks/Transfer of Office		Dr. Elliott	
8:30 am	0 min	9. End Meeting		Dr. Elliott	
30 min		Estimated time of sessions			



Regulated Health Professions Act

Duty to serve the public interest

s. 10(1) A college must carry out its mandate, duties, and powers and govern its members in a manner that serves and protects the public interest.

CPSM Mandate

10(2) A college has the following mandate:

- (a) to regulate the practice of the health profession and govern its members in accordance with this Act and the regulations and by-laws;
- (b) to develop, establish and maintain standards of academic or technical achievement and qualification required for registration as a member and monitor compliance with and enforce those standards;
- (c) to develop, establish and maintain standards of practice to enhance the quality of practice by members and monitor compliance with and enforce those standards;
- (d) to develop, establish and maintain a continuing competency program for members to promote high standards of knowledge and skill;
- (e) to promote the ability of members to respond to changes in practice environments, advances in technology and other emerging issues;
- (f) to work in consultation with the minister towards achieving access for the people of Manitoba to adequate numbers of qualified and competent members of the regulated health profession;
- (g) to develop, establish and maintain programs that provide information about the health profession, and that assist persons in exercising their rights under this Act and the regulations, by-laws and code of ethics;
- (h) to promote and enhance the college's relations with its members, other colleges, key stakeholders and the public;
- (i) to promote inter-professional collaboration with other colleges;
- (j) to administer the college's affairs and perform its duties and carry out its powers in accordance with this Act and the regulations and by-laws.

CPSM Governance Policy – Governing Style and Code of Conduct:

1.1 General

Council recognizes its accountability to the people of Manitoba to carry out its mandate, duties, and powers and govern its members in a manner that serves and protects the public interest. To that end, Council will govern with an emphasis on strategic leadership, including a commitment to obtaining public and membership input, encouragement of diverse viewpoints, and clear distinction of Council and staff roles.



Rules of the Annual General Meeting of the Membership Affairs of the College Bylaw Excerpts

Meetings of Membership

Annual meeting of the membership

60. Each calendar year, an annual meeting of the members of the College must be held in Manitoba, at a time and place to be determined by Council.

Notice of meeting of the membership

65. For all annual general and special meetings of the membership:
- a. Council must provide at least 14 days notice of the meeting to each member of the College and to the public;
 - b. notice to members must include:
 - i. the place, date and time of the meeting, and
 - ii. any resolutions proposed to be presented at the meeting; and
 - c. notice to members and to the public may be given by posting a notice on the College website.
66. The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, a person entitled to receive notice does not invalidate proceedings at the meeting.

Quorum at meeting of the membership

67. A quorum for a meeting of members is eight voting members.

Procedure at meeting of the membership

68. The President or in the absence of the President, the President-Elect or the Past-President, must preside over the meeting. In the absence of the President, President-Elect and Past-President, the members present must elect a chairperson from among Councillors present at the meeting.
69. The President must set the agenda for the annual general meeting of the members. The agenda must include the following items:
- a. Council reports relevant to the activities of the College;
 - b. the CPSM's audited financial statement and report;
 - c. any new Bylaws or Bylaw amendments approved by Council in the preceding year, which require membership approval; and
 - d. the annual appointment of the auditors of the College.

Voting at meeting of the membership

70. A member of the College in good standing present in person at the meeting and entitled to vote at the meeting has one vote.
71. Voting will be conducted by a show of hands, unless the chairperson considers it necessary to conduct a vote by ballot.
72. In case of a tie vote, the proposed resolution does not pass.
73. Any resolution passed at an annual or special meeting of members, except for a resolution confirming or varying a Bylaw, must be considered by Council at its next regularly scheduled meeting.

Entitlement to vote at meeting of the membership

78. All regulated members and regulated associate members who attend a meeting of the membership in person are entitled to vote at the meeting, except members in the following classes:
 - a. Full - academic, visiting professor;
 - b. Full - non-practising;
 - c. Full - retired;
 - d. Provisional - restricted purpose;
 - e. Provisional - temporary locum;
 - f. Provisional - non-practising;
 - g. Provisional - retired;
 - h. Assessment candidate - specialty practice;
 - i. Assessment candidate - family practice;
 - j. Assessment candidate - re-entry to practice;
 - k. Educational - non-practising;
 - l. Physician assistant - restricted purpose;
 - m. Physician assistant - non-practising;
 - n. Clinical assistant- non-practising;
 - o. Physician assistant or clinical assistant retired.

Procedural issues at members meeting

79. A dispute concerning the procedure to be followed at a meeting of members that is not provided for in the RHPA or Bylaws must be resolved in accordance with Roberts Rules of Order.



Minutes of the Annual Meeting of the Membership June 21, 2022

A meeting of the Membership of The College of Physicians and Surgeons of Manitoba was held in-person on Tuesday, June 21, 2022, at the CPSM Office at 1661 Portage Avenue, Winnipeg, Manitoba with a virtual option via Zoom.

1. CALL TO ORDER

The meeting was called to order at 5:00 p.m. by the Chair of the meeting, Dr. Jacobi Elliott.

REGISTRANTS:

Dr. Candace Bradshaw - Virtually
 Dr. Karen Bullock Pries
 Dr. Kevin Convery, Virtually
 Dr. Carrie Corbett
 Dr. Jacobi Elliott, President
 Mr. Babatunde Fatoki - Virtually
 Dr. Wayne Manishen
 Dr. Rizwan Manji - Virtually
 Dr. Norm McLean
 Dr. Ainslie Mihalchuk
 Dr. Lisa Monkman
 Dr. Charles Penner
 Dr. Nader Shenouda
 Dr. Eric Sigurdson
 Dr. Anna Ziomek, Registrar

MEMBERS OF THE PUBLIC:

Mr. Allan Fineblit, Public Councillor
 Ms Marvelle McPherson, Public Councillor
 Ms Leanne Penny, Public Councillor

STAFF:

Ms Wendy Elias-Gagnon, Communications
 Ms Kathy Kalinowsky, General Counsel
 Mr. Paul Penner, Chief Operating Officer
 Ms Karen Sorenson, Executive Assistant
 Ms Jo-Ell Stevenson, Manager Registration
 Dr. Ian Wilkinson PhD, Director MANQAP

2. ADOPTION OF AGENDA

IT WAS MOVED BY DR. ERIC SIGURDSON, SECONDED BY DR. WAYNE MANISHEN:
CARRIED

That the agenda be approved.

3. ADOPTION OF MINUTES OF JUNE 8th, 2021

IT WAS MOVED BY DR. CHARLES PENNER, SECONDED BY DR. WAYNE MANISHEN:
CARRIED

That the minutes of June 21, 2022 be accepted as presented.

Minutes of the Annual Meeting of the Membership June 21, 2022

4. FINANCIAL STATEMENTS

The audited financial statements of the College of Physicians and Surgeons of Manitoba were reviewed, indicating the following:

• Assets	\$10,443,293
• Liabilities	\$3,930,881
• Net Assets	\$6,512,412
• Revenues	\$8,810,708
• Expenses	\$8,865,193
• Net Income	\$ -54,485

All financial statements contained unqualified opinions from Deloitte LLP.

IT WAS MOVED BY DR. NADER SHENOUDA, SECONDED BY DR. WAYNE MANISHEN:
CARRIED

That the following audited financial statements for the fiscal year May 1, 2021 to April 30, 2022 be approved as presented:

- The College of Physicians & Surgeons of Manitoba Financial Statements
- The College of Physicians & Surgeons of Manitoba Summary Financial Statements
- CPSM Manitoba Quality Assurance Program
- CPSM Maternal Child Quality Assurance Program
- CPSM Substance Use & Addictions Program
- CPSM Physician Public Register Program

5. APPOINTMENT OF AUDITORS

IT WAS MOVED BY DR. NADER SHENOUDA, SECONDED BY DR. KAREN BULLOCK PRIES:
CARRIED

That the Membership approve Deloitte LLP being appointed as auditors for all CPSM accounts in the forthcoming fiscal year 2022-2023 as recommended by the Audit and Risk Management Committee.

6. BYLAW AMENDMENTS

IT WAS MOVED BY DR. NADER SHENOUDA, SECONDED BY DR. CHARLES PENNER:
CARRIED

Membership approve the amendments as presented to the following:

- Accredited Facilities Bylaw
- Central Standards Bylaw
- Affairs of the College Bylaw

7. ELECTION RESULTS

Congratulations were extended to the successful candidates in the elections conducted on May 5, 2022

- Regulated Associate Member – Mr. Christopher Barnes
- East Electoral District – Dr. Kevin Convery
- North Electoral District – Dr. Lisa Monkman
- Winnipeg Electoral District – Dr. Caroline Corbett

8. MAJOR ACTIVITIES OF CPSM

Reports on the following major activities/committees of CPSM were presented:

- Strategic Organizational Priorities
- Registration
- Quality Department
 - Quality Improvement
 - Prescribing Practices Program
 - Physician Health
 - Central Standards Committee
 - Program Review Committee
 - Manitoba Quality Assurance Program (MANQAP)
- Complaints/Investigations
 - Complaints/Investigations department
 - Complaints Committee
 - Investigations Committee
 - Inquiry
- Other
 - Executive Committee
 - Council
 - Finance, Audit and Risk Management Committee
 - Information Technology
 - COVID-19 Pandemic Response by CPSM

9. PRESIDENT'S REMARKS

Dr. Jacobi Elliott provided closing remarks. Outgoing councillors, Dr. Lindsay, Dr. Manishen, Dr. Sigurdson, Dr. Kumbharathi, Dr. Stacey, and Dr. Smith were thanked for their time on Council and their dedication to CPSM.

Minutes of the Annual Meeting of the Membership June 21, 2022

There being no further business, the meeting ended at 6:55 p.m.

Dr. J. Elliott, President

Dr. A. Ziomek, Registrar



**ANNUAL GENERAL MEETING OF THE MEMBERSHIP
JUNE 28, 2023**

NOTICE OF MOTION FOR APPROVAL

SUBJECT: Annual Financial Statements

BACKGROUND:

Deloitte LLP is currently completing the audit of CPSM's finances and will be presenting its audit findings and financial statements to the Finance, Audit & Risk Management Committee on June 20th, 2023. Based on this meeting with Deloitte, the Finance, Audit & Risk Management Committee is anticipating approving the recommendation to Council acceptance of all CPSM audited financial statements for the fiscal year May 1, 2022 through April 30, 2023.

Barring any unforeseen events, the audited financial statements will be available immediately after the June 20th, 2023 Finance, Audit & Risk Management Committee meeting with Deloitte LLP.

PUBLIC INTEREST RATIONALE:

"A college must carry out its mandate, duties, and powers and govern its members in a manner that serves and protects the public interest." S. 10(1) RHPA

MOTION:

NOTICE IS HEREBY GIVEN THAT AT THE ANNUAL GENERAL MEETING OF THE MEMBERSHIP OF THE COLLEGE OF PHYSICIANS AND SURGEONS OF MANITOBA, ON JUNE 28, 2023, DR. NADER SHENOUDA, CHAIRPERSON OF THE FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE, WILL MOVE THAT:

The following financial statements for the fiscal year May 1, 2022 to April 30, 2023 be accepted as presented:

- The College of Physicians & Surgeons of Manitoba Summary Financial Statements
- The College of Physicians & Surgeons of Manitoba Financial Statements
- CPSM Manitoba Quality Assurance Program
- CPSM Maternal/Child Quality Assurance Program
- CPSM Substance Use & Addictions Program
- CPSM Public Register Program (formerly Physician Profiling Program)

Financial statements of
The College of Physicians and
Surgeons of Manitoba

April 30, 2023

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Independent Auditor's Report

To the Members of
The College of Physicians and Surgeons of Manitoba

Opinion

We have audited the financial statements of The College of Physicians and Surgeons of Manitoba (the "Organization"), which comprise the statement of financial position as at April 30, 2023, and the statements of operations, changes in net assets 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 April 30, 2023, 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.

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 the 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.

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 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.

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.

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.

Chartered Professional Accountants

Winnipeg, Manitoba
June 28, 2023

The College of Physicians and Surgeons of Manitoba
Statement of financial position
As at April 30, 2023

	2023	2022
	\$	\$
Assets		
Current assets		
Cash	4,477,743	4,164,166
Investments, maturing within one year (Note 3)	—	3,149,999
Accounts receivable	100,027	43,692
Prepaid expenses	188,879	172,308
	4,766,649	7,530,165
Investments (Note 3)	5,416,479	2,175,000
Capital assets (Note 4)	350,534	304,248
Intangible assets (Note 5)	207,570	433,880
	10,741,232	10,443,293
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	226,560	231,533
Accrued pre-retirement leave benefits (Note 6)	304,872	261,893
Accrued vacation	114,912	123,500
Deferred program revenue (Schedule 1)	163,521	45,693
Deferred member dues revenue	3,671,483	3,268,262
	4,481,348	3,930,881
Contingencies (Note 8)		
Commitments (Note 9)		
Net assets		
Unrestricted	1,698,780	1,561,284
Invested in capital and intangible assets	558,104	738,128
Internally restricted (Note 10)	4,003,000	4,213,000
	6,259,884	6,512,412
	10,741,232	10,443,293

Approved on behalf of Council

_____, President

_____, Registrar

The College of Physicians and Surgeons of Manitoba
Statement of operations
Year ended April 30, 2023

	2023	2022
	\$	\$
Revenue		
Physician and resident license fees	6,589,634	6,227,838
Educational register fees	88,288	84,300
Clinical assistant license fees	53,800	38,400
Physician assistant license fees	55,750	45,000
Medical corporation fees	447,175	387,625
Other fees and income	647,129	625,538
Interest income	159,989	29,103
Change in market value of investments	117,024	101,247
Government funded program revenue (<i>Schedule 1</i>)	1,045,213	1,271,657
	9,204,002	8,810,708
Expenses (<i>Schedule 2</i>)		
Governance	99,229	152,462
Qualifications	973,415	914,707
Complaints and investigations	2,313,948	2,156,736
Quality	1,865,309	1,507,867
Operations and general administration	2,397,889	2,340,506
Information technology	584,797	423,405
Government funded program expenses (<i>Schedule 1</i>)	1,221,943	1,369,510
	9,456,530	8,865,193
Deficiency of revenue over expenses	(252,528)	(54,485)

The College of Physicians and Surgeons of Manitoba
Statement of changes in net assets
Year ended April 30, 2023

	Unrestricted \$	Invested in capital assets \$	Internally restricted \$	2023 \$
Net assets, beginning of year	1,561,284	738,128	4,213,000	6,512,412
Excess (deficiency) of revenue over expenses	59,913	(312,441)	-	(252,528)
Purchase of capital and intangible assets	(132,417)	132,417	-	-
Transfer from internally restricted	210,000	-	(210,000)	-
Balance, end of year	1,698,780	558,104	4,003,000	6,259,884

	Unrestricted \$	Invested in capital assets \$	Internally restricted \$	2022 \$
Net assets, beginning of year	1,616,740	834,157	4,116,000	6,566,897
Excess (deficiency) of revenue over expenses	251,508	(305,993)	-	(54,485)
Purchase of capital and intangible assets	(209,964)	209,964	-	-
Transfer to internally restricted	(97,000)	-	97,000	-
Balance, end of year	1,561,284	738,128	4,213,000	6,512,412

The College of Physicians and Surgeons of Manitoba
Statement of cash flows
Year ended April 30, 2023

	2023	2022
	\$	\$
Operating activities		
Deficiency of revenue over expenses	(252,528)	(54,485)
Items not affecting cash:		
Change in market value of investments	(117,024)	(101,247)
Amortization of capital assets and intangible assets	312,441	305,993
	(57,111)	150,261
Changes in non-cash operating working capital items:		
Accounts receivable	(56,335)	(30,527)
Prepaid expenses	(16,571)	(5,023)
Accounts payable	(4,973)	101,068
Accrued pre-retirement leave benefits	42,979	(31,315)
Accrued vacation	(8,588)	(65,629)
Deferred revenue	521,049	(70,960)
	420,450	47,875
Investing activities		
Purchase of investments, net	—	(5,352)
Redemption of investments, net	25,544	—
Purchase of capital assets	(132,417)	(196,911)
Purchase of intangible assets	—	(13,053)
	(106,873)	(215,316)
Net increase (decrease) in cash position	313,577	(167,441)
Cash, beginning of year	4,164,166	4,331,607
Cash, end of year	4,477,743	4,164,166

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
 April 30, 2023

1. Incorporation and nature of the organization

The College of Physicians and Surgeons of Manitoba (the "Organization") is the statutory body responsible for maintaining standards of medical practice within Manitoba through the administration of The Regulated Health Professions Act, Regulations, and related By-Laws, including the Code of Conduct.

The Organization's mandate is to protect the public as consumers of medical care and promote the safe and ethical delivery of quality medical care by physicians in Manitoba. The Organization is incorporated and exempt from income taxes under the provisions of The Income Tax Act.

2. Significant accounting policies

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) *Revenue recognition*

The Organization follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Until such time, externally restricted contributions are reported as deferred revenue. 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.

Members are charged an annual license fee based on the period from November 1st to October 31st, and these fees are recognized into income on a straight-line basis over this 12 month period. Deferred revenue represents the members' fees for the six month period from May to October which will be recognized as revenue in the subsequent fiscal year.

Other fees and revenues are recognized as revenue when the related registration or licensing has occurred or the related services have been performed and collection is reasonably assured.

Investment income is recognized on an accrual basis as earned.

b) *Capital assets*

Purchased capital assets are recorded at cost, net of related grant revenue. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined. Amortization is based on the estimated useful life of the asset and is calculated on a straight-line basis as follows:

Computer equipment	5 years
Office furniture and equipment	5 years
Leasehold improvements	10 year

c) *Intangible assets*

Intangible assets are recorded at cost. Contributed intangible assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Intangible assets recorded in the statement of financial position represent the member application software, electronic document and records management system, and other software which are being amortized on a straight-line basis over 5 years.

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
April 30, 2023

2. Significant accounting policies (continued)

d) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost. Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially recognized at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. The cost financial instruments with repayment terms is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. The cost of financial instruments without repayment terms is determined using the consideration transferred or received by the Organization in the transaction.

Transaction costs related to financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

The Organization recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net earnings in the period the reversal occurs.

e) Use of estimates

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 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 expense during the period. Significant estimates include the useful life of both the capital and intangible assets, the allowance for doubtful accounts, which was estimated to be \$144,308 at April 30, 2023 (2022 - \$144,308), and the accrued for pre-retirement leave benefits. Actual results could differ from these estimates.

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
 April 30, 2023

3. Investments

	2023	2022
	\$	\$
Portfolio of fixed rate investments, bearing effective interest rate at 4%, maturing August of 2024 and 2025	3,241,479	3,149,999
Principal Protected Note, generating fixed interest payments of \$0.50 per deposit note plus a variable interest payment of the greater of 85% of the share portfolio performance, as defined in the agreement, and nil, maturing on December 15, 2028.	1,175,000	1,175,000
Principal Protected Note, generating fixed interest payments of \$0.50 per deposit note, plus a variable interest payment of the greater of 105% of the index performance, as defined in the agreement, and nil, maturing on January 10, 2029	1,000,000	1,000,000
	5,416,479	5,324,999
Less: investments maturing within 12 months	—	(3,149,999)
	5,416,479	2,175,000

As of April 30, 2023, the market prices for the above Principal Protected Notes were 82.947 and 89.127 respectively. As the deposit notes guarantee the principal amount of the investment, the Organization is not required to recognize any unrealized losses when market value falls below book value, but is required to record any unrealized gains when market value exceeds book value.

4. Capital assets

	Cost	Accumulated amortization	2023 Net book value
	\$	\$	\$
Computer equipment	1,003,646	790,542	213,104
Office furniture and equipment	586,499	455,495	131,004
Leasehold improvements	246,984	240,558	6,426
	1,837,129	1,486,595	350,534

	Cost	Accumulated amortization	2022 Net book value
	\$	\$	\$
Computer equipment	897,872	744,981	152,891
Office furniture and equipment	559,856	415,680	144,176
Leasehold improvements	246,984	239,803	7,181
	1,704,712	1,400,464	304,248

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
 April 30, 2023

5. Intangible assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
	\$	\$	\$	\$
Member application software	878,793	822,880	55,913	231,672
Other software	252,761	101,104	151,657	202,208
	<u>1,131,554</u>	<u>923,984</u>	<u>207,570</u>	<u>433,880</u>

Amortization of \$226,311 (2022 - \$226,311) related to intangible assets is included in program expenses in Schedule 2.

6. Accrued pre-retirement leave benefits

The Organization provides pre-retirement benefits to employees who meet certain criteria. This policy has been in effect since 2008 and provides a benefit for registrars and other salaried employees once they meet either of the following criteria: 60 years old and have completed 10 years of continuous employment with the Organization, or 55 years old and 25 years of continuous employment. The estimated liability related to the pre-retirement leave benefits is assessed on an annual basis and any change in the liability is recorded as an expense in the statement of operations.

7. Pension plan

The Organization has a defined contribution pension plan for its employees. For employees hired prior to May 1, 2017, the Organization contributes 8% of salaries for eligible employees. For employees hired on or after May 1, 2017 the Organization contributes 4% and eligible employees contribute a mandatory 4%. The amount expensed during the year related to this pension plan was \$318,831 (2022 - \$300,211).

8. Contingencies

Complaints and Claims – The nature of the Organization’s activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at April 30, 2023, management believes that the Organization has valid defenses and/or appropriate insurance coverage in place. All costs associated with these actions are not determinable at the time of the preparation of these financial statements and will be reflected as expenditures in the period that they are known and can be reasonably measured.

Inquiries and Investigations - The Organization has certain incomplete inquiries and investigations as at April 30, 2023. All costs associated with these actions are not determinable at the time of the preparation of these financial statements and will be reflected as expenditures and cost recovery fees (if any) in the period they are known and can be reasonably measured. A reserve for potential inquiry costs is established at year-end based on extraordinary number of ongoing and anticipated inquiry cases known at that time and using estimates according to the recent historical cost analysis performed by the Organization.

With regard to completed inquiries and investigations, the Organization attempts to recover costs from those registrants who are found guilty. The outcome of these efforts are unknown at this time and will be reflected in the financial statements when these recoveries (if any) are known, can be reasonably measured and collection is likely.

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
 April 30, 2023

9. Commitments

The Organization has a lease for its office space over a term of 10 years and 3 months which commenced on August 1, 2021 and ending on October 31, 2031. The total lease payments relating to the basic rent through to October 31, 2031 are \$2,438,978 with the payments over the next 5 years being as follows:

	<u>\$</u>
2024	233,205
2025	233,205
2026	233,205
2027	240,979
2028	248,752

The Organization has also entered into an equipment lease which expires in November 2023 and has minimum lease payments as follows:

	<u>\$</u>
2024	9,767

10. Internally restricted net assets

Net assets have been internally restricted by the Council of the Organization as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Reserve for wind-up costs	3,293,000	3,293,000
Reserve for potential inquiry costs	210,000	420,000
Reserve for IT projects	500,000	500,000
	<u>4,003,000</u>	<u>4,213,000</u>

The internally restricted net assets of the Organization are governed by Section 1.8 - Restricted Accounts in the Accumulated Surplus of the Financial Management Policy of the Council.

11. Financial instrument risk management

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk is the risk that a financial loss will be incurred due to the failure of a counterparty to discharge its contractual commitment or obligation to the Organization. The Organization has significant investments and receivables. The Organization is exposed to credit risk from members. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific receivable accounts, historical trends and other information.

The College of Physicians and Surgeons of Manitoba
Notes to the financial statements
April 30, 2023

11. Financial instrument risk management (continued)

The Organization's credit risk policies set out the minimum requirements for management of credit risk in a variety of transactional and portfolio management contexts. Its credit risk policies comprise the following:

- Investment guidelines are in place that require only the purchase of investment grade assets and minimize concentration of assets in any single geographic area, industry and company;
- Credit ratings are determined by recognized external credit rating agencies;
- Portfolios are monitored continuously, and reviewed monthly by the Registrar and Chief Operating Officer. The Audit Committee receives reports quarterly during the year;

With respect to credit risk, investment objectives are discussed with a Professional Investment Advisor. Management receives monthly reports summarizing investment activity, in order to monitor credit risk for the Organization.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Organization is exposed to price risk with respect to its investment portfolio of bonds and other fixed rate investments, which are measured at fair value.

The Organization is exposed to interest rate cash flow risk with respect to interest bearing investments. As at April 30, 2023, the Organization holds \$5,416,479 (2022 - \$5,324,999) of investments with fixed rates of interest. As a result, the impact of interest rate changes on cash flows has been substantially mitigated.

Liquidity risk

Liquidity risk is the risk that the Organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities.

12. Allocated expenditures

The Organization allocates certain common expenditures among its programs as they represent indirect program costs. Examples of common costs which are allocated include office rent, insurance, IT support, amortization and others. The allocation is mainly based on program business volume. The allocated expenditures by program are shown in Schedule 2 - Program Expenses by Nature.

The College of Physicians and Surgeons of Manitoba
Schedule 1 - Programs Administered by the College
Year ended April 30, 2023

				2023	2023	2022	2022	
	Deferred Revenue (Receivable) Beginning of Year	Cash Received in Current Year	Revenue Available for Programming	Deferred Revenue (Receivable) from End of Year	Gross Program Revenues	Gross Program Expenditures	Gross Program Revenues	Gross Program Expenditures
	\$	\$	\$	\$	\$	\$	\$	\$
Maternal/Child Quality Assurance Program	(82,198)	141,690	59,492	-	59,492	60,068	184,198	184,198
Manitoba Quality Assurance Program (MANQAP)	227,981	895,477	1,123,458	255,146	868,312	871,843	866,375	866,375
Manitoba Physician Public Register Program	(8,879)	22,874	13,995	(1,005)	15,000	15,420	15,084	15,084
Substance Use and Addictions Program (SUAP)	(91,211)	103,000	11,789	(90,620)	102,409	274,612	206,000	303,853
	45,693	1,163,041	1,208,734	163,521	1,045,213	1,221,943	1,271,657	1,369,510

The College of Physicians and Surgeons of Manitoba
Schedule 2 - Program Expenses by Nature
Year ended April 30, 2023

	Governance	Qualifications	Complaints and Investigations	Quality	Operations and General Administration	Information Technology	Government- Funded Programs	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Employee costs	2,500	620,350	1,697,957	1,269,845	1,958,535	508,766	812,968	6,870,921	6,212,700
Committee meetings	71,677	5,011	128,238	55,477	63,973	2,410	8,231	335,017	340,851
Professional fees	21,600	-	29,828	135,860	39,583	-	213,434	440,305	453,117
Service fees	3,201	57	2,887	34,733	2,016	159,016	-	201,910	277,541
Legal	-	-	44,607	-	-	-	-	44,607	156,916
Building and occupancy costs	-	1,495	3,284	4,270	528,638	2,317	63,216	603,220	511,235
Office	251	163,245	32,654	15,102	229,333	194,195	13,329	648,109	606,840
Amortization	-	-	-	-	40,569	271,872	-	312,441	305,993
	99,229	790,158	1,939,455	1,515,287	2,862,647	1,138,576	1,111,178	9,456,530	8,865,193
Allocated expenditures	-	183,257	374,493	350,022	(464,758)	(553,779)	110,765	-	-
Total expenditures	99,229	973,415	2,313,948	1,865,309	2,397,889	584,797	1,221,943	9,456,530	8,865,193

**Financial statements of
The College of Physicians and
Surgeons of Manitoba
Manitoba Quality Assurance Program (MANQAP)**

April 30, 2023

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Independent Auditor's Report

To the Council of
The College of Physicians and Surgeons of Manitoba

Opinion

We have audited the financial statements of the Manitoba Quality Assurance Program ("MANQAP" or the "Program") administered by The College of Physicians and Surgeons of Manitoba (the "Organization"), which comprise the statement of financial position as at April 30, 2023 and the statement of program operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Program as at April 30, 2023, and the results of its operations for the year then ended in accordance with the financial reporting provisions of the agreement effective April 1, 2020 between the Organization and the Government of Manitoba as represented by the Minister of Health, Seniors and Active Living (the "Agreement").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 the 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2a to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization in complying with the financial reporting provisions of the Agreement. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 the financial reporting provisions of the Agreement, 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.

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 GAAS 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 GAAS, 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.

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.

Chartered Professional Accountants

Winnipeg, Manitoba
June 28, 2023

The College of Physicians & Surgeons of Manitoba
Manitoba Quality Assurance Program (MANQAP)
Statement of financial position
 As at April 30, 2023

	2023	2022
	\$	\$
Assets		
Current		
Cash	251,615	227,981
	251,615	227,981
Liabilities		
Current		
Deferred program revenue	255,146	227,981
	255,146	227,981
Net assets		
Unrestricted	(3,531)	-
	251,615	227,981

Approved on behalf of Council

_____, President

_____, Registrar

The College of Physicians & Surgeons of Manitoba
Manitoba Quality Assurance Program (MANQAP)
Statement of program operations and changes in net assets
As at April 30, 2023

	2023 Budget \$	2023 Actual \$	2022 Actual \$
	<i>(unaudited)</i>		
Revenue			
Manitoba Health	881,000	853,835	853,940
Other - Private laboratory survey	-	14,477	12,435
	881,000	868,312	866,375
Expenses			
Employee costs	636,899	616,069	618,552
Committee meetings	18,000	8,231	11,695
Professional fees	83,670	102,718	93,537
Building and occupancy costs	54,392	56,864	56,094
Office expenses	7,949	9,024	7,736
Overhead	80,090	78,937	78,761
	881,000	871,843	866,375
Excess of revenues over expenses	-	(3,531)	-
Net assets, beginning of year	-	-	-
Net assets, end of year	-	(3,531)	-

The College of Physicians and Surgeons of Manitoba

Manitoba Quality Assurance Program (MANQAP)

Notes to the financial statementsApril 30, 2023

1. Nature of the program

MANQAP is run by the Organization on behalf of The Government of Manitoba as represented by the Minister of Health, Seniors and Active Living. The role of the program is to provide standards, inspect diagnostic facilities, and monitor compliance for the purpose of accreditation. In accordance with the "Accredited Facilities" Bylaw of the Organization, facility directors must be compliant with this Bylaw and all relevant standards as established by the Organization.

2. Significant accounting policies*a) Basis of accounting*

These financial statements have been prepared for a specific purpose and are in accordance with Canadian accounting standards for not-for-profit organizations, except for the following:

The financial statements present the statements of financial position and operations and changes in net assets of MANQAP administered by The College of Physicians and Surgeons of Manitoba (the "Organization") and do not represent all assets, liabilities, net assets, and operations of the Organization.

b) Revenue recognition

Revenue for the program is deferred and recognized in the year in which the related expenses are incurred.

c) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in listed shares and derivative financial instruments which are measured at fair value at the balance sheet date. The fair value of listed shares is based on the latest closing price, and if the information is not otherwise publicly available, the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

The College of Physicians and Surgeons of Manitoba

Manitoba Quality Assurance Program (MANQAP)

Notes to the financial statementsApril 30, 2023

2. Significant accounting policies (continued)*d) Use of estimates*

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 reporting period. Actual results could differ from these estimates.

e) Statement of cash flows

Because the sources and uses of cash are apparent from a review of the financial statements, a statement of cash flows is not included with these financial statements.

**Financial statements of
The College of Physicians and
Surgeons of Manitoba
Manitoba Physician Public Register Program**

April 30, 2023

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Independent Auditor's Report

To the Council of
The College of Physicians and Surgeons of Manitoba

Opinion

We have audited the financial statements of the Manitoba Physician Public Register Program (the "Program") administered by The College of Physicians and Surgeons of Manitoba (the "Organization"), which comprise the statement of financial position as at April 30, 2023 and the statement of program operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Program as at April 30, 2023, and the results of its operations for the year then ended in accordance with the financial reporting provisions of the agreement effective April 1, 2020 between the Organization and the Government of Manitoba as represented by the Minister of Health, Seniors and Active Living (the "Agreement").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 the 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2a to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization in complying with the financial reporting provisions of the Agreement. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 the financial reporting provisions of the Agreement, 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.

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 GAAS 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 GAAS, 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.

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.

Chartered Professional Accountants

Winnipeg, Manitoba
June 28, 2023

The College of Physicians and Surgeons of Manitoba
Manitoba Physician Public Register Program
Statement of financial position
 April 30, 2023

	2023	2022
	\$	\$
Assets		
Current		
Receivable - Government Program	1,005	8,879
	1,005	8,879
Liabilities		
Current		
Deferred program revenue	—	—
Cash deficiency	1,425	8,879
	1,425	8,879
Net assets		
Unrestricted deficit	(420)	—
	1,005	8,879

Approved on behalf of Council

_____, President

_____, Registrar

The College of Physicians and Surgeons of Manitoba
Manitoba Physician Public Register Program
Statement of program operations and changes in net assets
 April 30, 2023

	2023	2022
	\$	\$
Revenue		
Manitoba Health	15,000	15,084
Expenses		
Employee costs	13,000	12,999
Professional fees	1,018	714
Overhead	1,402	1,371
	15,420	15,084
Deficiency of revenue over expenses	(420)	-
Net assets, beginning of year	-	-
Net deficit, end of year	(420)	-

The College of Physicians and Surgeons of Manitoba

Manitoba Physician Public Register Program

Notes to the financial statementsApril 30, 2023

1. Nature of the program

The Organization, through the Manitoba Physician Public Register Program, makes available to the public Physician Public Register information in accordance with sections 28(3), (4), and (5) of the Regulated Health Professionals Act and section 2.6(1) of the College of Physicians and Surgeons General Regulation.

2. Significant accounting policies*a) Basis of accounting*

These financial statements have been prepared for a specific purpose and are in accordance with Canadian accounting standards for not-for-profit organizations, except for the following:

The financial statements present the statements of financial position and operations and changes in net assets of the Manitoba Physician Public Register Program administered by The College of Physicians and Surgeons of Manitoba (the "Organization") and do not represent all assets, liabilities, net assets, and operations of the Organization.

b) Revenue recognition

Revenue for the program is deferred and recognized in the year in which the related expenses are incurred.

c) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in listed shares and derivative financial instruments which are measured at fair value at the balance sheet date. The fair value of listed shares is based on the latest closing price, and if the information is not otherwise publicly available, the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

The College of Physicians and Surgeons of Manitoba

Manitoba Physician Public Register Program

Notes to the financial statementsApril 30, 2023

2. Significant accounting policies (*continued*)*d) Use of estimates*

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 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 expense during the period. Actual results could differ from these estimates.

e) Statement of cash flows

Because the sources and uses of cash are apparent from a review of the financial statements, a statement of cash flows is not included with these financial statements.

Financial statements of
**The College of Physicians and
Surgeons of Manitoba**
Substance Use and Addictions Program (SUAP)

April 30, 2023

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Independent Auditor's Report

To the Council of
The College of Physicians and Surgeons of Manitoba

Opinion

We have audited the financial statements of the Substance Use and Addictions Program (SUAP) (the "Program") administered by The College of Physicians and Surgeons of Manitoba (the "Organization"), which comprise the statement of financial position as at April 30, 2023 and the statement of program operations and changes in net deficit for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Program as at April 30, 2023, and the results of its operations for the year then ended in accordance with the financial reporting provisions of the five year agreement effective April 1, 2018 between the Organization and the Government of Manitoba as represented by the Minister of Health, Seniors and Active Living (the "Agreement").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 the 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2a to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization in complying with the financial reporting provisions of the Agreement. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 the financial reporting provisions of the Agreement, 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.

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 GAAS 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 GAAS, 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.

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.

Chartered Professional Accountants

Winnipeg, Manitoba
June 28, 2023

The College of Physicians & Surgeons of Manitoba
Substance Use and Addictions Program (SUAP)
Statement of financial position
As at April 30, 2023

	2023	2022
	\$	\$
Asset		
Current		
Cash	—	—
Receivable - Government program	90,620	91,211
	90,620	91,211
Liabilities		
Current		
Cash deficiency	524,328	352,716
Net deficit		
Unrestricted	(433,708)	(261,505)
	90,620	91,211

Approved on behalf of Council

_____, President

_____, Registrar

The College of Physicians & Surgeons of Manitoba
Substance Use and Addictions Program (SUAP)
Statement of program operations and changes in net deficit
 As at April 30, 2023

	2023	2022
	\$	\$
Revenue		
Manitoba Health	102,409	206,000
Expenses		
Employee costs	153,292	168,183
ORT Training expenses	85,698	81,971
Building and occupancy costs	6,352	21,074
Office expenses	4,305	5,002
Overhead	24,965	27,623
	274,612	303,853
Deficiency of revenues over expenses	(172,203)	(97,853)
Net deficit, beginning of year	(261,505)	(163,652)
Net deficit, end of year	(433,708)	(261,505)

The College of Physicians and Surgeons of Manitoba

Substance Use and Addictions Program (SUAP)

Notes to the financial statementsApril 30, 2023

1. Nature of the program

The Program is aimed at the expansion of Opiate Agonist Therapy (OAT) in Manitoba, including related activities for establishing OAT Recommended Practices Manuals, and enhanced access to training for medical professionals and allied health and social service providers.

2. Significant accounting policies*a) Basis of accounting*

These financial statements have been prepared for a specific purpose and are in accordance with Canadian accounting standards for not-for-profit organizations, except for the following:

The financial statements present the statements of financial position and operations and changes in net assets of the Substance Use and Addictions Program (SUAP) administered by The College of Physicians and Surgeons of Manitoba (the "Organization") and do not represent all assets, liabilities, net assets, and operations of the Organization.

b) Revenue recognition

Revenue for the program is deferred and recognized in the year in which the related expenses are incurred.

c) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in listed shares and derivative financial instruments which are measured at fair value at the balance sheet date. The fair value of listed shares is based on the latest closing price, and if the information is not otherwise publicly available, the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

The College of Physicians and Surgeons of Manitoba
Substance Use and Addictions Program (SUAP)
Notes to the financial statements
April 30, 2023

2. Significant accounting policies (*continued*)

d) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 reporting period. Actual results could differ from these estimates.

e) Statement of cash flows

Because the sources and uses of cash are apparent from a review of the financial statements, a statement of cash flows is not included with these financial statements.



**ANNUAL GENERAL MEETING OF THE MEMBERSHIP
JUNE 28, 2023
NOTICE OF MOTION FOR APPROVAL**

SUBJECT: Appointment of the Auditor

BACKGROUND:

According to the Affairs of the College Bylaw, the annual appointment of the auditors of CPSM is to take place at the Annual General Meeting.

Deloitte LLP is in the fourth year of a 5-year agreement with CPSM as external auditors. Deloitte successfully completed the audit for this fiscal year ending April 30, 2023.

Based on the direction of The Finance, Audit and Risk Management Committee a request for proposals (RFP) was submitted to 9 prospective vendors. Based on the evaluation of the RFP's, the Finance, Audit and Risk Management Committee is recommending that BDO Canada LLP be appointed as the auditor for 2023/2024 fiscal year.

MOTION:

NOTICE IS HEREBY GIVEN THAT AT THE ANNUAL GENERAL MEETING OF THE MEMBERSHIP OF THE COLLEGE OF PHYSICIANS AND SURGEONS OF MANITOBA, ON JUNE 28, 2023, DR. NADER SHENOUDA, CHAIR OF THE FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE, WILL MOVE THAT:

The registrants approve BDO Canada LLP be appointed as auditors for all CPSM accounts in the forthcoming fiscal year 2023/2024 as recommended by the Finance, Audit and Risk Management Committee.



ANNUAL GENERAL MEETING OF THE MEMBERSHIP
JUNE 28, 2023
NOTICE OF MOTION FOR APPROVAL

SUBJECT: Motion to approve Bylaw Amendments

BACKGROUND:

In accordance with the Regulated Health Professions Act, all Bylaw amendments approved by Council in the past year, must now be confirmed or varied by the members who are present and voting at this annual general meeting.

The following bylaw was amended in the past year.

[Central Standards Bylaw](#) amendment December 2022

- A. Council approve Bylaw amendments to:
1. delete reference to the
 - CPSM Maternal and Perinatal Health Standards Subcommittee
 - CPSM Child Health Standards Subcommittee.
 - WRHA Oral Health Standards Committee
 - WRHA Clinical Psychology Standards Committee
 2. Delete references to the Schedules of Standards Subcommittees
 3. Delete the four schedules to the Central Standards Bylaw containing lists of all Standards Subcommittees.
 4. Permit the Central Standards Committee to approve all Standards Subcommittees.
 5. Update the reference to the new legislation – *The Health System Governance and Accountability Act* - and delete the reference to the now repealed *Hospitals Act*.

PUBLIC INTEREST RATIONALE

“A College must carry out its mandate, duties, and powers and govern its members in a manner that serves and protects the public interest.” s. 10(1) RHPA

All priorities are firmly within the public interest by improving patient safety by fulfilling CPSM’s mandate and enhancing the quality of care by physicians. Each priority has its own public interest rationale.

MOTION:

NOTICE IS HEREBY GIVEN THAT AT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COLLEGE OF PHYSICIANS AND SURGEONS OF MANITOBA, ON JUNE 28, 2023, DR. NADER SHENOUDA, PRESIDENT-ELECT WILL MOVE THAT:

The Membership approve amendments to the above listed CPSM Bylaw.



**ANNUAL GENERAL MEETING OF THE MEMBERSHIP
JUNE 28, 2023
FOR INFORMATION**

SUBJECT: CPSM 2023 Election Results

BACKGROUND:

Section 8 of the Affairs of the College Bylaw states:

Election for Regulated Associate Members

7. Commencing in 2019 and continuing annually thereafter there must be an election for one Councillor from the regulated associate registrants.

The election commenced in March 2023 and the outcome was Mr. Chris Barnes was re-elected as Associate Registrant Councillor for the 2023-2024 fiscal year.