

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Financial Statements
Year Ended December 31, 2022

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Index to Financial Statements
Year Ended December 31, 2022

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 10
General Fund Expenses (<i>Schedule 1</i>)	11



INDEPENDENT AUDITOR'S REPORT

To the Members of College of Registered Psychiatric Nurses of Manitoba

Opinion

We have audited the financial statements of College of Registered Psychiatric Nurses of Manitoba (the College), which comprise the statement of financial position as at December 31, 2022, and the statements of revenues and expenditures, 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 College as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the College in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the College'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 College or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Members of College of Registered Psychiatric Nurses of Manitoba
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

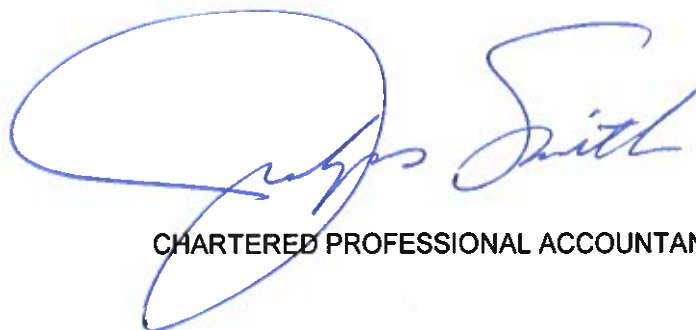
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College'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 College'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 College 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.

Winnipeg, Manitoba
March 18, 2023



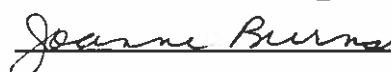
CHARTERED PROFESSIONAL ACCOUNTANTS

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 282,121	\$ 292,506
Marketable securities	203,624	109,905
Accounts receivable	1,836	2,243
Accrued Interest receivable (Note 2)	1,385	2,685
Prepaid expenses	5,199	10,333
	<u>494,165</u>	<u>417,672</u>
LONG TERM INVESTMENTS (Notes 2, 3)	358,109	428,057
CAPITAL ASSETS (Notes 2, 4)	153,711	164,309
REGISTRATION MANAGEMENT SYSTEM DEVELOPMENT COSTS (Note 5)	19,425	7,350
	<u>\$ 1,025,410</u>	<u>\$ 1,017,388</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 39,194	\$ 97,857
Employee deductions payable	13,937	11,485
Goods and services tax payable	28,553	26,533
Prepaid membership fees	686,952	612,498
Unearned rent	3,240	3,240
Current portion of long term debt (Note 7)	40,000	-
	<u>811,876</u>	<u>751,613</u>
CEBA LOAN (Note 7)	-	40,000
	<u>811,876</u>	<u>791,613</u>
NET ASSETS		
GENERAL FUND	189,249	211,708
BUILDING AND EQUIPMENT RESERVE FUND (Note 6)	24,285	14,067
	<u>213,534</u>	<u>225,775</u>
	<u>\$ 1,025,410</u>	<u>\$ 1,017,388</u>

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements



COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Revenues and Expenditures
Year Ended December 31, 2022

	2022	2021
REVENUE		
Membership Fees - Practicing	\$ 620,127	\$ 602,965
Membership Fees - Non-practicing	3,900	3,800
Membership fees - Graduate	9,120	11,760
Examinations	630	33,389
Fees and penalties	17,336	22,064
Interest	13,147	8,503
Rent	20,844	20,161
CEBA Subsidy	-	10,000
COVID Payroll Subsidy	981	-
Gains (losses) on disposal of investments	-	(507)
Other income	291	110
	<u>686,376</u>	<u>712,245</u>
EXPENSES		
Statutory functions - schedule 1	118,785	153,161
Corporate Functions - schedule 1	63,414	47,760
Professional Functions - schedule 1	22,331	15,970
Administration - schedule 1	37,206	46,969
Building - schedule 1	39,961	36,416
Salaries and benefits	416,920	423,119
	<u>698,617</u>	<u>723,395</u>
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (12,241)	\$ (11,150)

See notes to financial statements

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Changes in Net Assets
Year Ended December 31, 2022

	General Fund	Building and Equipment Reserve Fund	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 211,708	\$ 14,067	\$ 225,775	\$ 236,925
Deficiency of revenue over expenses	(12,241)	-	(12,241)	(11,150)
Transfer from Restricted Reserve	2,284	(2,284)	-	-
Utilization of Restricted Reserve	(12,502)	12,502	-	-
NET ASSETS - END OF YEAR	\$ 189,249	\$ 24,285	\$ 213,534	\$ 225,775

See notes to financial statements

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Cash Flows
Year Ended December 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Cash receipts from members and customers	\$ 748,090	\$ 726,207
Cash paid to suppliers and employees	(733,135)	(746,446)
Interest received	14,447	9,757
Goods and services tax	2,020	(4,314)
	<u>31,422</u>	<u>(14,796)</u>
Cash flow from (used by) operating activities		
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(18,034)	(30,081)
Proceeds from (purchase of) investments	69,946	(83,534)
	<u>51,912</u>	<u>(113,615)</u>
Cash flow from (used by) investing activities		
FINANCING ACTIVITY		
Proceeds from CEBA Loan	-	10,000
	<u>-</u>	<u>10,000</u>
Cash flow from (used by) financing activities		
INCREASE (DECREASE) IN CASH FLOW	83,334	(118,411)
Cash - beginning of year	<u>402,411</u>	<u>520,822</u>
CASH - END OF YEAR	\$ 485,745	\$ 402,411
CASH CONSISTS OF:		
Cash	\$ 282,121	\$ 292,506
Marketable securities	203,624	109,905
	<u>\$ 485,745</u>	<u>\$ 402,411</u>

See notes to financial statements

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2022

1. PURPOSE OF THE ORGANIZATION

The College is incorporated without share capital under the laws of Manitoba and its principal activities are to establish and maintain standards of education and practice for psychiatric nursing. The College must carry out its activities and govern its members in a manner that serves and protects the public interest as set out in the Regulated Health Professions Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

General

The College follows the restricted fund method of accounting for contributions.

The General Fund accounts for the College's program delivery and administrative activities. This fund reports unrestricted resources.

The Internally Restricted Reserve Funds, Building and Equipment Reserve and the Discipline Reserve Funds report the transfers to restricted reserve from the General Fund and the capital expenditures and discipline expenditures for the year.

Membership Fees

Membership fees are recorded as revenue in the year that the membership applies.

Capital assets

Capital assets are stated at cost. Amortization is provided on the straight - line basis, using the following annual rates:

Buildings	5%	straight-line method
Office furniture and equipment	20%	straight-line method
Computer equipment	33 1/3%	straight-line method

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

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COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

All short-term investments are classified held-for trading and reported at market value.

Long-term investments are classified held-to-maturity investments. The held-to-maturity investments are classified as such because the College has the positive intent and ability to hold the securities until maturity and are recorded at cost plus accrued interest receivable.

Financial Instruments

The College's financial instruments comprise cash, short-term investments, accounts receivable, long-term investments, accounts payable, accrued liabilities, deferred revenue and due to or from related company.

Cash, accounts receivable, accounts payable, accrued liabilities, deferred revenue and due to related company approximates are reported at their fair values on the balance sheet. The fair values are the same as the carrying values due to their short-term nature.

The fair value of short and long-term investments are disclosed in the respective notes to the financial statement.

3. LONG TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Canadian Tire Bank GIC 2.02% Cost \$55,000 due January 11, 2022	\$ -	\$ 55,000
Laurentian Bank - GIC, 2.57% Cost \$25,000, Due March 14, 2022	-	25,000
Laurentian Bank - GIC, 2.62% Cost \$25,000, Due March 15, 2023	25,000	25,000
Canadian Tire Bank GIC 2.80% Cost \$25,000 due March 14, 2024	25,000	25,000
Bank of Nova Scotia Long Term Non-Redeemable GIC, 5.0% Cost \$10,000, Due November 25, 2024, held as security for corporate credit card	10,052	-
Bank of Nova Scotia Long Term Non-Redeemable GIC 1.45% Cost \$10,000 Due August 10, 2026, held as security for corporate credit card	10,057	10,057
BNS Canadian Banks DEP NTS S87 PP DSC Cost \$144,000 Matures July 12, 2027	144,000	144,000
BNS Canadian Banks Callable Cont Coupon S181 PAR DSC Cost \$72,000 Matures June 23, 2028	72,000	72,000
BNS TSX Callable Cont Coupon S181 PAR DSC Cost \$72,000 Matures July 12, 2028	72,000	72,000
NET BOOK VALUE OF INVESTMENTS	\$ 358,109	\$ 428,057

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2022

4. CAPITAL ASSETS

	<u>2022</u>		<u>2021</u>	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Land	\$ 28,827	\$ -	\$ 28,827	\$ -
Buildings	500,273	378,199	500,273	368,107
Office furniture and equipment	62,368	59,558	60,084	56,768
	<u>\$ 591,468</u>	<u>\$ 437,757</u>	<u>\$ 589,184</u>	<u>\$ 424,875</u>
Net book value	<u>\$ 153,711</u>		<u>\$ 164,309</u>	

5. REGISTRATION MANAGEMENT SYSTEM DEVELOPMENT COSTS

	<u>2022</u>	<u>2021</u>
Registration management system development costs	\$ 26,250	\$ 209,609
Accumulated amortization	(6,825)	(202,259)
	<u>\$ 19,425</u>	<u>\$ 7,350</u>

The College capitalized all the costs related to the development of an on-line registration management system (RMS). Those costs are amortized on a straight-line basis over five years. The original development costs of \$199,109 which were fully amortized were removed during the year leaving the current RMS development costs.

6. BUILDING AND EQUIPMENT RESERVE FUND

The College of Registered Psychiatric Nurses of Manitoba board of directors internally restricted \$14,067 into a Reserve Fund for building and equipment. Transfers of these amounts were made from the General Fund to the Building and Equipment Fund. These internally restricted amounts are not available for unrestricted purposes without approval of the board of directors.

	<u>2022</u>	<u>2021</u>
Internally Restricted Reserve, Beginning of year	\$ 14,067	\$ 29,660
Transfer to restricted reserve - amortization	12,502	14,488
Capital Expenditures for the year	(2,284)	(30,081)
Internally Restricted Reserve, End of Year	<u>\$ 24,285</u>	<u>\$ 14,067</u>

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2022

7. CANADA EMERGENCY BUSINESS ACCOUNT

	2022	2021
CEBA loan, no monthly payments, bearing interest at 0% per annum, \$40,000 repayable December 31, 2023. \$20,000 of the original loan of \$60,000 forgiven, Government secured.	\$ 40,000	\$ 40,000
Amounts payable within one year	(40,000)	-
	\$ -	\$ 40,000

Principal repayment terms are approximately:

2023	\$ 40,000
	\$ 40,000

8. FINANCIAL INSTRUMENTS

The college is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the college's risk exposure and concentration as of December 31, 2022.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The college is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources and accounts payable. The college has set aside funds in investments to minimize this risk.

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

THE COLLEGE OF REGISTERED PSYCHIATRIC NURSES' OF MANITOBA

Schedule 1 - General Fund Expenses

Year ended December 31, 2022, with comparative figures for 2021

	2022	2021
Statutory Functions:		
Discipline	\$ 53,694	\$ 74,943
Examinations	2,910	34,164
Registration	58,445	41,946
Education Approval	61	8
Amortization RMS Dev. Costs	3,675	2,100
	<u>\$ 118,785</u>	<u>\$ 153,161</u>
Corporate Functions:		
Annual Conference & Report	\$ 143	-
Board and Executive	15,681	8,506
Finance	47,590	39,254
	<u>\$ 63,414</u>	<u>\$ 47,760</u>
Professional Functions:		
Communications	\$ 9,537	\$ 4,338
Professional Practice	7,344	8,147
Membership Fees	2,863	3,096
Inter-Provincial Activities/RPNC	2,587	389
	<u>\$ 22,331</u>	<u>\$ 15,970</u>
Administration:		
Equipment Depreciation	\$ 2,791	\$ 4,988
General Liability Insurance	2,876	2,615
Stationary and Office	6,044	5,776
Legal Fees	-	-
Professional Development	1,264	498
Telephone	5,256	5,280
IT	18,975	27,812
	<u>\$ 37,206</u>	<u>\$ 46,969</u>
Building:		
Depreciation	\$ 10,092	\$ 9,500
Utilities	5,987	5,725
Security	2,158	784
Property Taxes	13,143	13,092
Maintenance	4,099	2,314
Landlord Expense	-	-
Janitorial	4,482	5,000
	<u>\$ 39,961</u>	<u>\$ 36,415</u>
Total	<u>\$ 281,697</u>	<u>\$ 300,275</u>