

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Financial Statements
Year Ended December 31, 2023

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
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Year Ended December 31, 2023

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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, 2023, 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, 2023, 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 16, 2024



CHARTERED PROFESSIONAL ACCOUNTANTS

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 383,851	\$ 282,121
Marketable securities	108,083	203,624
Accounts receivable	11,259	1,836
Accrued Interest receivable (Note 2)	835	1,385
Prepaid expenses	8,376	5,199
Investments (Note 3)	35,555	25,000
	547,959	519,165
LONG TERM INVESTMENTS (Notes 2, 3)	298,057	333,109
CAPITAL ASSETS (Notes 2, 4)	147,364	153,711
REGISTRATION MANAGEMENT SYSTEM DEVELOPMENT COSTS (Note 5)	29,970	19,425
	\$ 1,023,350	\$ 1,025,410
LIABILITIES		
CURRENT		
Accounts payable	\$ 135,763	\$ 39,194
Employee deductions payable	9,368	13,937
Goods and services tax payable	30,626	28,553
Prepaid membership fees	689,265	686,952
Unearned rent	3,240	3,240
Current portion of long term debt (Note 8)	-	40,000
	868,262	811,876
NET ASSETS		
GENERAL FUND	75,011	189,249
BUILDING AND EQUIPMENT RESERVE FUND (Note 6)	30,631	24,285
PRE-RETIREMENT RESERVE FUND (Note 7)	49,446	-
	155,088	213,534
	\$ 1,023,350	\$ 1,025,410

ON BEHALF OF THE BOARD

Wanda Brink Director

Joanne Burns Director

See notes to financial statements

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	2023	2022
REVENUE		
Membership Fees - Practicing	\$ 688,902	\$ 620,127
Membership fees - Graduate	7,865	9,120
Membership Fees - Non-practicing	-	3,900
Examinations	-	630
Fees and penalties	28,204	17,336
Credit Card fees	11,496	-
Interest	14,888	13,040
Rent	21,066	20,844
COVID Payroll Subsidy	-	981
Other income	1,155	291
Gain (loss) on Marketable securities	(17,878)	107
	<u>755,698</u>	<u>686,376</u>
EXPENSES		
Statutory functions - schedule 1	131,445	118,785
Corporate Functions - schedule 1	60,755	63,414
Professional Functions - schedule 1	28,653	22,331
Administration - schedule 1	36,425	37,206
Building - schedule 1	38,224	39,961
Salaries and benefits	518,642	416,920
	<u>814,144</u>	<u>698,617</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (58,446)</u>	<u>\$ (12,241)</u>

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Changes in Net Assets
Year Ended December 31, 2023

	General Fund	Building and Equipment Reserve Fund	Pre-Retirement Reserve Fund	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 189,249	\$ 24,285	\$ -	\$ 213,534	\$ 225,775
Deficiency of revenue over expenses	(58,446)	-	-	(58,446)	(12,241)
Transfer to Pre- Retirement Reserve Fund	(49,446)	-	49,446	-	-
Utilization of Restricted Reserve	5,789	(5,789)	-	-	-
Transfer to Restricted Reserve	(12,135)	12,135	-	-	-
NET ASSETS - END OF YEAR	\$ 75,011	\$ 30,631	\$ 49,446	\$ 155,088	\$ 213,534

See notes to financial statements

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Cash receipts from members and customers	\$ 751,578	\$ 748,090
Cash paid to suppliers and employees	(706,179)	(733,135)
Investment income (loss)	(2,944)	14,447
Goods and services tax	2,073	2,020
Cash flow from operating activities	<u>44,528</u>	<u>31,422</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(23,339)	(18,034)
Proceeds from (purchase of) investments	25,000	69,946
Cash flow from investing activities	<u>1,661</u>	<u>51,912</u>
FINANCING ACTIVITY		
Repayment of CEBA Loan	(40,000)	-
INCREASE IN CASH FLOW	6,189	83,334
Cash - beginning of year	<u>485,745</u>	<u>402,411</u>
CASH - END OF YEAR	\$ 491,934	\$ 485,745
CASH CONSISTS OF:		
Cash	\$ 383,851	\$ 282,121
Marketable securities	108,083	203,624
	<u>\$ 491,934</u>	<u>\$ 485,745</u>

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA

Notes to Financial Statements

Year Ended December 31, 2023

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 (ASNFPO).

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.

Investments

(continues)

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Short term investments, which consist primarily of commercial paper with original maturities at date of purchase beyond three months and less than twelve months, are carried at amortized cost.

Long-term investments are classified held-to-maturity investments. The held-to-maturity investments are classified as such as 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

	2023	2022
Laurentian Bank - GIC, 2.62%		
Cost \$25,000, Due March 15, 2023	\$ -	\$ 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	10,555	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
	333,612	358,109
Less : Investments maturing in the next year	(35,555)	(25,000)
NET BOOK VALUE OF LONG-TERM INVESTMENTS	\$ 298,057	\$ 333,109

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2023

4. CAPITAL ASSETS

	2023		2022	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Land	\$ 28,827	\$ -	\$ 28,827	\$ -
Buildings	500,273	387,899	500,273	378,199
Office furniture and equipment	68,157	61,994	62,368	59,558
	\$ 597,257	\$ 449,893	\$ 591,468	\$ 437,757
Net book value	\$ 147,364		\$ 153,711	

5. REGISTRATION MANAGEMENT SYSTEM DEVELOPMENT COSTS

	2023	2022
Registration management system development costs	\$ 43,800	\$ 26,250
Accumulated amortization	(13,830)	(6,825)
	\$ 29,970	\$ 19,425

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 \$31,631 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.

	2023	2022
Internally Restricted Reserve, Beginning of year	\$ 24,285	\$ 14,067
Transfer to restricted reserve - amortization	12,135	12,502
Capital Expenditures for the year	(5,789)	(2,284)
Internally Restricted Reserve, End of Year	\$ 30,631	\$ 24,285

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2023

7. PRE-RETIREMENT RESERVE FUND

The College set up the the Pre-Retirement Reserve Fund to internally restrict the anticipated amount required for payment of the pre-retirement leave benefits through a restricted investment. The amount of the investment shall be determined by the current salaries of eligible employees. The calculation will be made for the employees currently eligible for the pre-retirement leave and those who may be eligible for this benefit in the next five years.

The restricted investment can only be used for the purpose of the pre-retirement leave benefits. Any expenditure of the pre-retirement reserve fund will be on an as needed basis in accordance with the provision of the College's human resources policy.

The Long-Term Investments as detailed in Note 3, \$49,446 is restricted for this Fund.

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA
Notes to Financial Statements
Year Ended December 31, 2023

8. CANADA EMERGENCY BUSINESS ACCOUNT

	2023	2022
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. Repaid during the year.	\$ -	\$ 40,000
Amounts payable within one year	-	(40,000)
	\$ -	\$ -

9. 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, 2023.

(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.

COLLEGE OF REGISTERED PSYCHIATRIC NURSES OF MANITOBA

**General Fund Expenses
(Schedule 1)**

Year Ended December 31, 2023

	2023	2022
Statutory Functions		
Discipline - Investigations	\$ 68,803	\$ 53,694
Examinations	-	2,910
Registration	51,224	58,445
Education Approval	4,413	61
Amortization RMS	7,005	3,675
	<u>\$ 131,445</u>	<u>\$ 118,785</u>
Corporate Functions		
Annual Conference	\$ 13	\$ 143
Board/Executive	23,799	15,681
Finance	36,943	47,590
	<u>\$ 60,755</u>	<u>\$ 63,414</u>
Professional Functions		
Communications	\$ 10,018	\$ 9,537
Professional Practice	7,534	7,344
Membership Fees	3,266	2,863
Inter-Provincial Activities / RPNC	7,835	2,587
	<u>\$ 28,653</u>	<u>\$ 22,331</u>
Administration		
Depreciation - Equipment	\$ 2,435	\$ 2,791
General Liability Insurance	3,039	2,876
Stationary and Office	4,606	6,044
Professional Development	3,652	1,264
Telephone/Fax	4,938	5,257
IT/Internet/Web	17,755	18,975
	<u>\$ 36,425</u>	<u>\$ 37,207</u>
Building		
Depreciation - Building	\$ 9,700	\$ 10,092
Utilities	4,860	5,987
Security System	1,096	2,158
Property Taxes	14,441	13,143
Maintenance - General	3,151	4,099
Janitorial	4,975	4,482
	<u>\$ 38,223</u>	<u>\$ 39,961</u>