

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF
MANITOBA**

FINANCIAL STATEMENTS

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Members of **College of Medical Laboratory Technologists of Manitoba**

Opinion

We have audited the financial statements of College of Medical Laboratory Technologists of Manitoba, which comprise the statement of financial position as at December 31, 2022, 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 College of Medical Laboratory Technologists of Manitoba as at December 31, 2022, 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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 audit opinion.

Other Matter

The prior year financial statements were audited by another Chartered Professional Accountant firm who provided a report with an unmodified opinion dated June 8, 2022.

Other Information

Management is responsible for the Other Information. The Other Information comprises materials from the Annual General Meeting ("AGM") package, other than the financial statements and our Auditors' report thereon. This information may include summary/highlights of the Corporation's financial performance and capital expenditures that have (will be) taken place.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent Auditors' Report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 controls that we identify during our audit.



Winnipeg, Manitoba
May 17, 2023

Chartered Professional Accountants Inc.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

<i>December 31,</i>	2022	2021
ASSETS		
CURRENT ASSETS		
Cash, note 4	\$ 502,186	\$ 585,776
Accounts receivable	627	-
Guaranteed investment certificates, note 5	10,000	10,000
Portfolio investments, note 6	477,359	425,411
Prepaid expenses	23,030	17,724
	1,013,202	1,038,911
Capital assets, note 7	620,840	643,833
	\$ 1,634,042	\$ 1,682,744
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities, note 8	\$ 48,199	\$ 42,766
Unearned membership fees	452,177	563,928
Federal Government Loan, note 9	40,000	40,000
Term loan due on demand, note 10	270,524	296,576
	810,900	943,270
NET ASSETS		
Unrestricted	6,727	22,217
Invested in capital assets	350,315	347,257
Internally restricted , note 11	466,100	370,000
	823,142	739,474
	\$ 1,634,042	\$ 1,682,744

Approved by the Board: 17 May 2023
Date

M. Bueno de Mesquita
Director

[Signature]
Director

Kevin Simonetto

[Signature]

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
STATEMENT OF CHANGES IN NET ASSETS
AS AT DECEMBER 31, 2022**

	Unrestricted	Invested in capital assets	Internally restricted	Total 2022	Total 2021
Beginning balance	\$ 22,217	\$ 347,257	\$ 370,000	\$ 739,474	\$ 584,555
Excess of revenue over expenditures	(12,432)	-	-	(12,432)	56,319
Purchase of capital assets	(2,671)	2,671	-	-	-
Amortization of capital assets	25,665	(25,665)	-	-	-
Principal payment on term loan due on demand	(26,052)	26,052	-	-	-
Special levy for legal fund, note 11	-	-	96,100	96,100	98,600
Ending balance	\$ 6,727	\$ 350,315	\$ 466,100	\$ 823,142	\$ 739,474

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022	2021
MEMBERSHIP FEES	\$ 469,843	\$ 468,045
EXPENSES		
Accounting fees and audit fees	26,587	17,915
Advertising	5,650	5,240
Amortization	25,665	29,612
Bank charges	13,416	12,059
Committee and program expense	29,540	26,867
Database and website costs	36,921	54,283
Interest on term loan due on demand	14,457	10,781
Legal fees	16,506	10,918
Memberships	4,896	4,592
Office	9,872	6,469
Postage	799	580
Professional development	1,690	5,993
Property taxes	15,713	15,620
Rental of equipment	55	28
Repairs and maintenance	1,911	22,998
Salaries and wages	223,820	230,331
Telecommunication	8,518	7,025
Utilities	9,323	8,489
	445,339	469,800
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	24,504	(1,755)
OTHER ITEMS		
Foreign exchange loss	(494)	(313)
Gain on sale of investments	1,514	3,880
Investment fees	(8,582)	(6,840)
Investment income - realized	11,490	3,896
Unrealized (loss) gain on investment	(41,464)	57,401
Rental income	600	50
	(36,936)	58,074
(DEFICIENCY) EXCESS REVENUE OVER EXPENSES	\$ (12,432)	\$ 56,319

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022	2021
CASH PROVIDED BY (USED IN)		
OPERATIONS		
(Deficiency) excess of revenue over expenses	\$ (12,432)	\$ 56,319
Amortization of capital assets	25,665	29,612
Unrealized loss (gain) on investments	41,464	(57,400)
Gain on sale of investments	(1,514)	(3,880)
Changes in non-cash working capital items	(119,852)	20,831
CASH (USED IN) PROVIDED BY OPERATIONS	(66,669)	45,482
INVESTING		
Purchase of capital assets	(2,671)	-
Net additions to portfolio investments	(91,898)	(89,105)
CASH USED IN INVESTING	(94,569)	(89,105)
FINANCING		
Repayment of term loan due on demand	(18,452)	(29,728)
Special levy received	96,100	98,600
CASH PROVIDED BY FINANCING	77,648	68,872
CASH (USED IN) PROVIDED BY OPERATIONS, INVESTING AND FINANCING	(83,590)	25,249
CASH, BEGINNING OF YEAR	585,776	560,527
CASH, END OF YEAR	\$ 502,186	\$ 585,776

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. PURPOSE AND LEGAL FORM OF THE ORGANIZATION

The College of Medical Laboratory Technologists of Manitoba (the "Organization") was created by act of Legislature through Bill 13 of the 37th Legislature and is a not-for-profit organization exempt from tax under paragraph 149(1)(l) of the Income Tax Act (Canada).

The Organization's purpose is to serve as the registering and certifying body for medical laboratory technologists in Manitoba in order to serve and protect the public interest.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations.

(b) Financial Instruments

The Organization's financial instruments consist of cash, accounts receivable, guaranteed investment certificates ("GIC"), portfolio investments, accounts payable and accrued liabilities, federal government loan and term loan due on demand. The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all financial assets and liabilities at amortized cost, except for portfolio investments which are subsequently measured at fair value.

Unrealized gains or losses from investments are recognized in the statement of operations.

(c) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Member fees are recognized as revenue in the fiscal period to which they relate.

(d) Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates include amounts payable for services not billed yet at the time these financial statements were approved and the useful life of capital assets. Actual results may differ from estimates.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

(e) Capital Assets

Capital assets are recognized at cost and amortized over their estimated lives using the straightline method as follows:

Office equipment	5 years
Computer equipment	2 years
Database	10 years
Buildings	40 years

Subsequent to initial recognition, capital assets are accounted for at cost less accumulated amortization and accumulated impairment losses. When the organization observes conditions that indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost.

(f) Investments

Portfolio investments are initially recognized and subsequently measured at fair value, determined using quoted market prices. Transaction costs and net gains and losses arising from changes in fair value are immediately recognized in statement of operations.

Guaranteed investment certificates ("GIC") are initially measured at fair value and subsequently measured at cost less impairment.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

3. FINANCIAL INSTRUMENTS

The Organization, through its financial assets and liabilities, is exposed to various risks in the normal course of operations. The following analysis provides a measurement of those risks at year end:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The Organization's financial assets that are exposed to credit risk consist of cash, accounts receivable, guaranteed investment certificates ("GIC") and portfolio investments. The Organization's cash, guaranteed investment certificates ("GIC") and portfolio investments are maintained with a large federally regulated financial institution in Canada therefore credit risk is limited. Credit risk is limited to the accounts receivable balance reported on the statement of financial position.

Market rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Organization has a diversified portfolio of investments, which mitigates its market rate risk.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. The Organization is exposed to interest rate risk primarily relating to the term loan due on demand at variable interest rate and portfolio investments.

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they become due. The Organization holds current assets with a value that exceeds total liabilities reported at year end, therefore liquidity risk is limited.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or market rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization's investments in publicly-traded securities exposes the Organization to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

There have been no other changes in the Organization's risk exposures from the prior year.

4. BANK CREDIT FACILITY

The Organization has a credit facility for an operating demand loan in the amount of \$150,000 with interest at prime plus 1.00%, a demand loan non-revolving in the amount of \$35,000 with interest at prime plus 1.00%. The facility was not used at December 31, 2022 (2021 - nil). The Organization also has a commercial credit card in the amount of \$10,000.

5. GUARANTEED INVESTMENT CERTIFICATES

Redeemable GIC earning interest at 2.3% (2021: 0.40%), maturing May 15, 2023 is measured at cost less impairment.

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

6. PORTFOLIO INVESTMENTS

The Organization's portfolio investments consist of fixed income, equities and investment trusts and have been reported at market value. Investment cost is presented below for comparison:

	2022 Cost	2022 Market Value	2021 Market Value
Fixed income	\$ 208,519	\$ 190,175	\$ 151,074
Equities	231,281	282,731	271,026
Investment trusts	5,463	4,453	3,311
Total	\$ 445,263	\$ 477,359	\$ 425,411

7. CAPITAL ASSETS

	2022			2021		
	Cost	Accumulated Amortization	Net Carrying Amount	Cost	Accumulated Amortization	Net Carrying Amount
Land	\$ 100,000	\$ -	\$ 100,000	\$100,000	\$ -	\$ 100,000
Building	593,486	108,780	484,706	593,486	93,944	499,542
Computer equipment	8,563	8,563	-	8,563	8,563	-
Office equipment	21,473	18,725	2,748	18,802	18,372	430
Database	195,774	162,388	33,386	195,773	151,912	43,861
Total	\$ 919,296	\$ 298,456	\$ 620,840	\$916,624	\$ 272,791	\$ 643,833

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade accounts payable	\$ 2,108	\$ 2,327
Wages payable	21,359	25,293
Accrued liabilities	24,732	15,146
Total	\$ 48,199	\$ 42,766

**COLLEGE OF MEDICAL LABORATORY TECHNOLOGISTS OF MANITOBA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

9. FEDERAL GOVERNMENT LOAN

In 2020, the Organization received \$60,000 Canada Emergency Business Account (CEBA) loan proceeds through the Government of Canada's COVID-19 Economic Response Plan. The loan is non-interest bearing to December 31, 2023.

The CEBA loan allows for the forgiveness of up to \$20,000 if \$40,000 of the loan is fully repaid by December 31, 2023. The total forgivable amount of \$20,000 has been recognized into income in 2020.

The \$40,000 balance is repayable no later than December 31, 2023.

10. TERM LOAN DUE ON DEMAND

	2022	2021
Term loan due on demand, repayable in monthly installments of \$3,375 per month bearing interest at prime plus 1%, due May 2028, secured with the Organization's building property, pledged as collateral and a general security agreement.	\$ 270,524	\$ 296,576

Principal repayments due over the next 5 years, assuming demand is not made, are estimated as follows:

2023	\$	21,000
2024		22,600
2025		24,300
2026		26,200
2027 and after		176,424
Total	\$	270,524

11. INTERNALLY RESTRICTED NET ASSETS

The Council (governing body) of the Organization had allocated net assets for the purpose of establishing a legal fund to be used for future legal expenses.

Special levies of \$96,100 (2021 - \$98,600) received during the year for purposes of replenishing the internally restricted net assets, were recorded as a direct increases to internally restricted net assets.

The Organization may not use these internally restricted amounts for any other purposes without the approval of the Council. At year end, the internally restricted net assets was at \$466,100 (2021 - \$370,000).

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified consistent with the current year's presentation.