

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**  
**Financial Statements**  
**Year Ended October 31, 2021**

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**  
**Index to Financial Statements**  
**Year Ended October 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of The Manitoba College of Family Physicians Inc.

### *Opinion*

We have audited the financial statements of The Manitoba College of Family Physicians Inc. (the College), which comprise the statement of financial position as at October 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at October 31, 2021, 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.

### *Other Matter*

The financial statements for the year ended October 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on January 25, 2021.

### *Other Information*

Management is responsible for the other information which comprises the College's annual report.

Our opinion on the financial statements does not cover the other information and will 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 identified above 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.

The annual report is expected to be made available to us after the date of the auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

### *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 The Manitoba College of Family Physicians Inc.  
(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.

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**  
**Statement of Financial Position**  
**October 31, 2021**

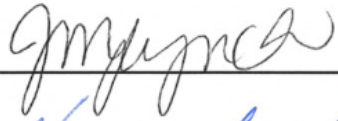
	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 324,225	\$ 187,078
Term deposits (Note 3)	405,104	394,321
Accounts receivable (Note 4)	11,015	35,829
Prepaid expenses	5,879	915
	746,223	618,143
<b>FIXED ASSETS (Note 5)</b>	<b>5,882</b>	<b>4,194</b>
	<b>\$ 752,105</b>	<b>\$ 622,337</b>

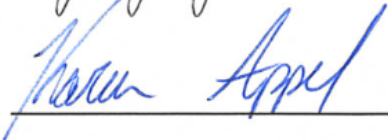
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 20,341	\$ 9,943
Goods and services tax payable	133	-
Employee deductions payable	983	1,441
Deferred income (Note 6)	116,699	83,764
	138,156	95,148

**COMMITMENTS (Note 8)**

<b>NET ASSETS</b>		
Unrestricted	214,949	128,189
Internally restricted	399,000	399,000
	613,949	527,189
	<b>\$ 752,105</b>	<b>\$ 622,337</b>

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Statement of Operations  
Year Ended October 31, 2021**

	<b>2021</b>	2020
<b>REVENUE</b>		
Membership services and administration (Schedule 1)	\$ 332,246	\$ 339,204
Continuing professional development (Schedule 2)	89,817	86,387
Special projects (Schedule 3)	10,765	-
	<u>432,828</u>	<u>425,591</u>
<b>EXPENSES</b>		
Membership services and administration (Schedule 1)	303,744	308,211
Continuing professional development (Schedule 2)	31,559	50,075
Special projects (Schedule 3)	10,765	-
	<u>346,068</u>	<u>358,286</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 86,760</u>	<u>\$ 67,305</u>

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**  
**Statement of Changes in Net Assets**  
**Year Ended October 31, 2021**

	Unrestricted	Internally restricted	<b>2021</b>	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 128,189	\$ 399,000	<b>\$ 527,189</b>	\$ 459,884
Excess of revenue over expenses	86,760	-	<b>86,760</b>	67,305
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 214,949</b>	<b>\$ 399,000</b>	<b>\$ 613,949</b>	<b>\$ 527,189</b>

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Statement of Cash Flows**

**Year Ended October 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 86,760	\$ 67,305
Items not affecting cash:		
Amortization of fixed assets	654	1,825
Gain on sale of fixed assets	(8,806)	-
	<u>78,608</u>	<u>69,130</u>
Changes in non-cash working capital:		
Accounts receivable	24,814	1,337
Prepaid expenses	(4,964)	11,456
Accounts payable and accrued liabilities	10,398	(31,126)
Goods and services tax payable	133	(4,170)
Employee deductions payable	(458)	1,441
Deferred income	32,935	(26,974)
	<u>62,858</u>	<u>(48,036)</u>
Cash flow from operating activities	<u>141,466</u>	21,094
<b>INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(6,536)	(5,822)
Proceeds on sale of fixed assets	13,000	-
(Purchase) proceeds of term deposits	(10,783)	52,166
	<u>(4,319)</u>	<u>46,344</u>
Cash flow from (used by) investing activities	<u>(4,319)</u>	46,344
<b>INCREASE IN CASH POSITION</b>	<b>137,147</b>	67,438
CASH POSITION - BEGINNING OF YEAR	<u>187,078</u>	119,640
<b>CASH POSITION - END OF YEAR</b>	<b>\$ 324,225</b>	<b>\$ 187,078</b>



# THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.

## Notes to Financial Statements

Year Ended October 31, 2021

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### 1. PURPOSE OF THE COLLEGE

The Manitoba College of Family Physicians Inc. (the "College") is a not-for-profit organization incorporated under the laws of Manitoba. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The College's activities consist of the following:

(a) to sustain and improve the professional qualifications of members of the medical profession who are engaged in the practice of family medicine in Manitoba;

(b) to enlighten and direct public opinion in Manitoba in relation to the practice of family medicine;

(c) to encourage and assist in the provision of a high standard of teaching and training for undergraduate medical students who may become engaged in the practice of family medicine; and

(d) to publish and encourage the publication of journals, reports and treatises on matters relating to the practice of family medicine.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

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

#### Revenue recognition

The Manitoba College of Family Physicians Inc. 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.

Grants are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grant revenue may be deferred to a future period so that the revenue is recognized in the year in which the related expenses are incurred.

Membership fee revenues are recognized over the term of the membership, which is July 1 to June 30, and when collectibility is reasonably assured. Any amounts received relating to the next fiscal year are recorded as deferred revenue.

Transfer payments and FMF surplus payments from The College of Family Physicians of Canada are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

MainPro certification fees, registration and exhibit fees, course fees and other project revenue are recognized when the course, service, or event is held.

Interest income is recognized on an accrual basis.

#### Investments and other non-cash assets

Fixed income securities are initially recognized at fair value and subsequently measured at amortized cost. Purchases and sales of investments are recognized using settlement date accounting.

The College's primary investment objective is capital preservation. Portfolio allocations have therefore been heavily weighted in fixed income securities to meet the stated objective. The expected rate of return from the investment portfolio is dependent on current interest rates offered in the open market. The investment portfolio allocations and returns are reviewed on an annual basis by the College's Executive Committee.

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THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.

Notes to Financial Statements

Year Ended October 31, 2021

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets

Fixed assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Furniture	5 years
Office and computer equipment	5 years
Office sign	5 years

The College regularly reviews its fixed assets to eliminate obsolete items.

Fixed assets acquired during the year but not placed into use are not amortized until they are placed into use.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include useful life of fixed assets. Actual results could differ from these estimates. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Financial assets measured at amortized cost on a straight-line basis include cash, term deposits, and accounts receivable. Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities, goods and services tax payable, and employee deductions payable. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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3. TERM DEPOSITS

The term deposits are guaranteed investment certificates that mature on February 9, 2022 with an interest rate of 0.5% (2020 - between 2.18% and 2.22%).

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4. RECEIVABLES

	<u>2021</u>		<u>2020</u>
College of Family Physicians of Canada - membership dues	\$ 10,337	\$	28,839
Interest receivable	678		6,690
Goods and services tax recoverable	-		300
	<u>\$ 11,015</u>	<u>\$</u>	<u>35,829</u>

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**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Notes to Financial Statements**

**Year Ended October 31, 2021**

5. FIXED ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Furniture	\$ 3,418	\$ 342	\$ 3,076	\$ -
Office and computer equipment	2,900	290	2,610	4,194
Office sign	218	22	196	-
	<b>\$ 6,536</b>	<b>\$ 654</b>	<b>\$ 5,882</b>	<b>\$ 4,194</b>

6. DEFERRED INCOME

	Balance October 31, 2020	Funds Received 2021	Revenue Recognized 2021	Balance October 31, 2021
Membership dues	\$ 83,764	\$ 250,738	\$ (235,793)	\$ 98,709
Data extraction project	-	28,755	(10,765)	17,990
	<b>\$ 83,764</b>	<b>\$ 279,493</b>	<b>\$ (246,558)</b>	<b>\$ 116,699</b>

7. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets may be used to fund future utilization goals and any other purposes as approved by the Board of Directors unless specifically designated by the donor or grant-giver. There were no changes in restricted net assets for the year.

8. COMMITMENTS

The College leased its office premises under a five year lease which expires on April 30, 2022. The lease payments were \$3,133 per month plus applicable taxes. Notice was given to terminate the lease agreement as of November 1, 2021.

Commencing November 15, 2021, the College leases its office premises under a ten year lease which expires on November 14, 2031, with the option of a renewal for another five year term. The lease payments are \$1,503 plus applicable taxes.

The College also leases a photocopier under a five year lease which expires in March 2025. The lease payments are \$453 per quarter plus applicable taxes.

9. BUDGET

The budget has been included for information purposes only. Budget figures included in these financial statements were not subject to audit procedures.

10. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of public accountants. Some of the comparative figures have been reclassified to conform to the current year's presentation.

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Membership Services and Administration**

*(Schedule 1)*

**Year Ended October 31, 2021**

	Budget 2021 <i>(Unaudited)</i>	Total 2021	Total 2020
<b>REVENUE</b>			
<b>The College of Family Physicians of Canada</b>			
Membership dues	\$ 162,000	\$ 235,793	\$ 235,657
Transfer payment	58,000	60,130	38,464
Family Medical Forum surplus income	-	22,713	55,959
	<u>220,000</u>	<u>318,636</u>	<u>330,080</u>
<b>Other revenue</b>			
Interest and other revenue	5,000	4,804	9,124
Gain on sale of fixed assets	-	8,806	-
	<u>5,000</u>	<u>13,610</u>	<u>9,124</u>
	<u>225,000</u>	<u>332,246</u>	<u>339,204</u>
<b>EXPENSES</b>			
<b>Administrative</b>			
Amortization	-	654	1,825
Audit	6,000	6,490	9,409
Bad debt	-	-	4,262
Bank charges	1,500	146	1,106
Bookkeeping	10,000	7,200	8,400
Credit card charges	3,500	4,870	2,276
Courier	300	94	39
Donations and flowers	200	-	-
Equipment lease	6,000	2,900	-
Insurance	1,300	1,700	-
Internet	1,700	1,658	714
IT services	10,000	10,280	-
Legal	1,200	80	-
Memberships	1,000	118	500
Miscellaneous	-	-	183
Office	-	124	-
Payroll service fees	1,470	1,436	1,407
Postage	200	375	116
President's honorarium	12,000	11,440	12,000
Professional expense	4,000	-	-
Printing	800	597	1,795
Professional development	2,000	165	-
Rent	40,000	35,806	38,530
Repairs and maintenance	500	-	-
Staff	500	364	558
Subscriptions	3,600	1,975	2,509
Supplies	4,000	2,491	3,711
Telephone	2,000	1,587	2,145
Wages and benefits	224,900	194,289	196,393
Workers compensation board	350	277	224
	<u>339,020</u>	<u>287,116</u>	<u>288,102</u>

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**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Membership Services and Administration (continued)**

**(Schedule 1)**

**Year Ended October 31, 2021**

	Budget 2021 <i>(Unaudited)</i>	<b>Total 2021</b>	Total 2020
<b>Board</b>			
Food	2,000	<b>515</b>	727
Honorariums	13,600	<b>8,765</b>	11,125
Insurance	1,200	<b>927</b>	423
Pictures	800	<b>600</b>	-
Retreat	1,300	<b>1,400</b>	1,295
Supplies	2,400	<b>900</b>	-
Travel	600	-	586
	<hr/> 21,900	<hr/> <b>13,107</b>	<hr/> 14,156
<b>Committee</b>			
Awards	2,600	<b>536</b>	2,625
Food	800	<b>317</b>	2,200
Meeting honorariums	8,000	-	-
Speaker fee	10,500	<b>1,040</b>	1,128
Supplies	800	<b>1,628</b>	-
Venue	300	-	-
	<hr/> 23,000	<hr/> <b>3,521</b>	<hr/> 5,953
	<hr/> 383,920	<hr/> <b>303,744</b>	<hr/> 308,211
<b>INCOME (LOSS) FROM OPERATIONS</b>	<hr/> \$ (158,920)	<hr/> <b>\$ 28,502</b>	<hr/> \$ 30,993

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Continuing Professional Development**

**(Schedule 2)**

**Year Ended October 31, 2021**

	Budget 2021 <i>(Unaudited)</i>	Total 2021	Total 2020
<b>REVENUE</b>			
Annual Scientific Assembly registration fees	\$ 75,000	\$ 72,817	\$ 68,019
Annual Scientific Assembly exhibit fees	5,000	-	-
Continuing professional development	15,000	5,000	9,985
MainPro certification	9,000	12,000	8,383
	<u>104,000</u>	<u>89,817</u>	<u>86,387</u>
<b>EXPENSES</b>			
Accreditation	13,000	900	1,245
Committee honorariums	7,000	6,700	6,700
Committee meetings	500	117	76
Equipment rental	17,000	13,825	19,062
Food	2,800	990	1,021
Giveaways	5,000	4,500	6,915
Speaker fees	3,000	1,000	6,690
Supplies	5,500	3,527	8,366
Venue	1,000	-	-
	<u>54,800</u>	<u>31,559</u>	<u>50,075</u>
<b>INCOME FROM OPERATIONS</b>	<b>\$ 49,200</b>	<b>\$ 58,258</b>	<b>\$ 36,312</b>

**THE MANITOBA COLLEGE OF FAMILY PHYSICIANS INC.**

**Special Projects**

*(Schedule 3)*

**Year Ended October 31, 2021**

	<b>Total 2021</b>	<b>Total 2020</b>
<b>REVENUE</b>		
Data extraction project	\$ 10,765	\$ -
<b>EXPENSE</b>		
Bank charges	25	-
Board honorariums	560	-
Bookkeeping	500	-
Insurance	175	-
IT services	250	-
Office supplies	150	-
President's honorarium	560	-
Printing	25	-
Rent	500	-
Subscriptions	200	-
Telephone	50	-
Video	900	-
Wages and benefits	6,850	-
Workers compensation board	20	-
	<b>10,765</b>	<b>-</b>
<b>INCOME FROM OPERATIONS</b>	<b>\$ -</b>	<b>\$ -</b>