

**Manitoba Association for Medical  
Laboratory Science Inc.**

Financial Statements

December 31, 2020

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## **Independent Auditor's Report**

To the Members of Manitoba Association for Medical Laboratory Science Inc.;

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Manitoba Association for Medical Laboratory Science Inc. (the Entity) which comprise the statement of financial position as at December 31, 2020, the statement of operations and change in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of Manitoba Association for Medical Laboratory Science Inc. as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

#### **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 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.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

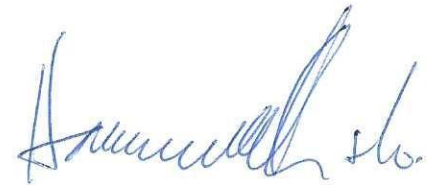
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Entity'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 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 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 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Chartered Professional Accountants

Winnipeg, Manitoba  
November 3, 2022

**Manitoba Association for Medical Laboratory Science Inc.**

**STATEMENT OF FINANCIAL POSITION**

As at December 31

	2020	2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 50,509	\$ 47,067
Investments (note 3)	12,379	31,219
Accounts receivable	3,000	3,000
Prepaid expenses	-	227
	<b>65,888</b>	<b>81,513</b>
<b>Investments - long term (note 3)</b>	<b>19,231</b>	<b>-</b>
	<b>\$ 85,119</b>	<b>\$ 81,513</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 11,992	\$ 8,135
Deferred revenue	2,055	6,394
	<b>14,047</b>	<b>14,529</b>
<b>Net assets</b>		
Developmental fund	5,890	5,890
Joseph M. Scott fund	14,624	14,624
Unrestricted fund	50,558	46,470
	<b>71,072</b>	<b>66,984</b>
	<b>\$ 85,119</b>	<b>\$ 81,513</b>

On behalf of the Board

 Director

 Director

The attached notes are an integral part of these financial statements.

**Manitoba Association for Medical Laboratory Science Inc.**

**STATEMENT OF NET ASSETS**

For the year ended December 31

	2020	2019
<b>Developmental fund</b>		
Balance, beginning of year	\$ 5,890	\$ 5,890
Balance, end of year	<b>5,890</b>	<b>5,890</b>
<b>Joseph M. Scott fund</b>		
Balance, beginning of year	14,624	14,624
Balance, end of year	<b>14,624</b>	<b>14,624</b>
<b>Unrestricted fund</b>		
Balance, beginning of year	46,470	49,796
Excess/(deficiency) of revenues over expenses	4,088	(3,326)
Balance, end of year	<b>50,558</b>	<b>46,470</b>
	<b>\$ 71,072</b>	<b>\$ 66,984</b>

The attached notes are an integral part of these financial statements.

**Manitoba Association for Medical Laboratory Science Inc.**

**STATEMENT OF OPERATIONS**

For the year ended December 31

	<b>2020 Budget</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>Revenue</b>			
Membership dues	\$ 19,000	\$ 14,956	\$ 15,484
Annual General Meeting Luncheon	350	-	-
Hilda Fleming fund	2,500	-	3,235
Interest income	300	391	404
Congress surplus	5,000	-	-
Developmental fund allocation	4,000	-	-
	<b>31,150</b>	<b>15,347</b>	<b>19,123</b>
<b>Expenses</b>			
Advertising and promotion	500	-	1,588
Advocacy	200	-	-
Annual general meeting	4,000	1,289	2,336
Annual return	25	40	203
Awards	500	-	563
Bank charges and interest	100	99	36
Board of Directors expenses	2,000	373	2,337
Credit card discounts	480	58	-
Developmental expenses	500	-	-
Governmental affairs	250	-	-
Graduation	200	-	-
Grants to academies	2,500	1,500	-
Hilda Fleming Fund	2,500	-	-
Insurance	1,450	765	1,025
Joseph M. Scott Fund	400	-	-
Marketing and communications	2,000	835	5,700
Newsletter	200	-	-
Nominations	100	-	-
Office and sundry	2,000	2,253	1,807
Presidential expenses	4,500	87	-
Professional development	1,000	-	2,503
Professional fees	3,200	3,960	4,351
	<b>28,605</b>	<b>11,259</b>	<b>22,449</b>
<b>Excess/(deficiency) of revenues over expenses</b>	<b>\$ 2,545</b>	<b>\$ 4,088</b>	<b>\$ (3,326)</b>

The attached notes are an integral part of these financial statements.

Manitoba Association for Medical Laboratory Science Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31

	2020	2019
<b>Operating activities</b>		
Excess/(deficiency) of revenues over expenses	\$ 4,088	\$ (3,326)
<b>Changes in non-cash operating working capital</b>		
(Increase)/decrease in accounts receivable	-	1,360
(Increase)/decrease in prepaid expenses	227	1,000
Increase/(decrease) in accounts payable and accrued liabilities	3,857	86
Increase/(decrease) in deferred revenue	(4,339)	2,057
<b>Net cash provided by operations</b>	<b>3,833</b>	<b>1,177</b>
<b>Investing activities</b>		
(Increase)/decrease in investments (short term)	18,840	(403)
(Increase)/decrease in investments (long term)	(19,231)	-
<b>Net cash (used in) investing activities</b>	<b>(391)</b>	<b>(403)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,442</b>	<b>774</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>47,067</b>	<b>46,293</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 50,509</b>	<b>\$ 47,067</b>
<b>Cash and cash equivalents are represented by:</b>		
Cash on hand and in bank	\$ 50,509	\$ 47,067
	<b>\$ 50,509</b>	<b>\$ 47,067</b>

The attached notes are an integral part of these financial statements.



**NOTES TO FINANCIAL STATEMENTS**

December 31, 2020

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**1. NATURE OF THE ORGANIZATION**

The Manitoba Association of Medical Laboratory Science Inc. (the Entity) was incorporated in the Province of Manitoba on July 1, 1987. The organization collects dues from its members and disburses them on activities that will benefit the membership and enhance its image. The Organization qualifies as a not for profit organization as defined in the Income Tax Act and, as such, is exempt from income tax.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.**

**Basis of presentation**

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations as determined by the Chartered Professional Accountants of Canada, using the deferral fund method of accounting.

The Unrestricted Fund reflects the co-ordination, communication, fundraising and administration activities of the Organization. Accordingly, all revenue received and expenditures incurred for these purposes, together with all donations received, are reflected in this fund.

The Developmental Fund reflects the transactions related to the annual provincial congress. All revenue and expenses from this fund are allocated based on the Board of Directors decisions.

The Joseph M. Scott Fund reflects a fund that has been set up to pay for student awards to advances knowledge and skills in the laboratory technologist career path.

**Tangible capital assets**

The Organization has adopted the policy of writing off tangible capital assets in the year of acquisition. Accordingly, amortization has not been provided for in the accounts.

**Revenue recognition**

The Organization follows the deferral method in accounting for contributions. Contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable, and when collectibility is reasonably assured.

**Contributed goods and services**

Only contributed materials that can be reliably measured at fair value are included in the financial statements. Volunteers contribute a substantial number of hours to the Organization each year. However, the value of these services cannot be reliably measured and, therefore, they are not recognized in the financial statements.

**Use of estimates**

The presentation 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 amounts in the financial statements and the related disclosures. Actual results could differ from those estimates. Reported balances which required some degree of estimation include accounts payable and accrued liabilities and the allocation of expenses to various funds.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Financial instruments**

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost, net of provisions for impairment. Financial assets and liabilities measured at amortized cost include cash and cash equivalents, grants and accounts receivable and accounts payable and accrued liabilities.

3. INVESTMENTS

	2020	2019
Guaranteed Investment Certificate (GIC) held with Toronto Dominion Bank with a maturity date of June 16, 2023 and interest rate of 1.15% per annum	\$ 19,231	\$ 19,041
Guaranteed Investment Certificate (GIC) held with TD Mortgage Corporation with a maturity date of December 10, 2021 and interest rate of 1.80% per annum	12,379	12,178
	<b>31,610</b>	<b>31,219</b>
Less: investments - short term	12,379	31,219
<b>Investments - long term</b>	<b>\$ 19,231</b>	<b>\$ -</b>

4. BUDGET

The budget figures presented for comparative purposes are unaudited and are those approved by the Board of Directors.

5. ANNUAL RETURN

As confirmed by the Companies Office, the Organization is compliant and considered in good standing.

6. FINANCIAL INSTRUMENTS

Transactions in financial instruments may expose the Organization to certain forms of risk. The Organization is exposed to the following risks as it relates to financial instruments:

**Credit risk**

Credit risk is the risk that another party will fail to honour a financial obligation and will, as a result, cause a financial loss for the Organization. The Organization reviews the collectibility of accounts receivable on a regular basis and records any allowance for doubtful accounts when necessary. There have been no significant changes in the Organization's policies and procedures for managing credit risk and no significant change in the composition of accounts receivable.

**6. FINANCIAL INSTRUMENTS (continued)**

**Interest rate risk**

Interest rate risk is the potential for loss as a result of changes to future cash flows that arise from changes in interest rates. The Organization monitors market interest rates and reviews the impact of any changes it may have on the Organization before determining if any change is necessary. There have been no significant changes in exposure to interest rate risk from the prior year.

**Liquidity risk**

Liquidity risk is the risk that the Organization will not be able to meet its cash outflow requirements as they come due. The Organization mitigates this risk by maintaining highly liquid investments and budgeting to ensure that sufficient cash is on hand for all planned outflows. There has been no significant change in exposure to liquidity risk from the prior year.