

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

Financial Statements

December 31, 2018

Table of Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 8



585 London Street
Winnipeg, Manitoba R2K 2Z6
Telephone (204) 667-1735
www.harworthandcompany.com

Independent Auditor's Report

To the Members of Manitoba Association of Medical Laboratory Science Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Manitoba Association of Medical Laboratory Science Inc. (the Entity) which comprise the statement of financial position as at December 31, 2018, 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 of Medical Laboratory Science Inc. as at December 31, 2018, 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
April 28, 2021

Manitoba Association of Medical Laboratory Science Inc.

STATEMENT OF FINANCIAL POSITION

As at December 31

	2018	2017
ASSETS		
Current assets		
Cash	\$ 46,293	\$ 45,218
Investments (note 3)	30,816	30,505
Accounts receivable	4,360	9,565
Prepaid expenses	1,227	1,227
	\$ 82,696	\$ 86,515
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 8,050	\$ 4,937
Deferred revenue	4,337	-
	12,387	4,937
Net assets		
Developmental fund	5,890	5,890
Joseph M. Scott fund	14,624	14,624
Unrestricted fund	49,795	61,064
	70,309	81,578
	\$ 82,696	\$ 86,515

On behalf of the Board

M. MacFarlane Director

_____ Director

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

Manitoba Association of Medical Laboratory Science Inc.

STATEMENT OF NET ASSETS

For the year ended December 31

	2018	2017
Developmental fund		
Balance, beginning of year	\$ 5,890	\$ 5,890
Balance, end of year	5,890	5,890
Joseph M. Scott fund		
Balance, beginning of year	14,624	15,624
Current year allocation/(expenses)	-	(1,000)
Balance, end of year	14,624	14,624
Unrestricted fund		
Balance, beginning of year	61,064	60,776
(Deficiency)/excess of revenues over expenses	(11,269)	288
Balance, end of year	49,795	61,064
	\$ 70,309	\$ 81,578

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

Manitoba Association of Medical Laboratory Science Inc.

STATEMENT OF OPERATIONS

For the year ended December 31

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Membership dues	\$ 24,000	\$ 16,205	\$ 19,005
Annual General Meeting Luncheon	250	-	-
Hilda Fleming fund	2,000	-	610
Interest income	-	311	335
Congress surplus	1,000	1,483	2,565
	27,250	17,999	22,515
Expenses			
Advertising and promotion	-	2,562	1,037
Advocacy	200	-	-
Annual general meeting	5,000	4,112	1,203
Annual return	25	25	25
Awards	500	750	452
Bank charges and interest	-	100	87
Board of Directors expenses	2,000	1,027	1,893
Credit card discounts	400	453	478
Developmental expenses	-	-	288
Graduation	200	-	-
Grants to academies	5,000	3,500	2,500
Hilda Fleming Fund	2,000	3,135	610
Insurance	1,200	943	943
Joseph M. Scott Fund	400	-	-
Marketing and communications	3,500	2,645	5,064
Newsletter	200	565	-
Nominations	100	-	-
Office and sundry	1,500	968	2,538
Presidential expenses	4,500	-	2,091
Professional development	1,000	3,737	(146)
Professional fees	2,500	4,746	3,164
	30,225	29,268	22,227
(Deficiency)/excess of revenues over expenses	\$ (2,975)	\$ (11,269)	\$ 288

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

Manitoba Association of Medical Laboratory Science Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31

	2018	2017
Operating activities		
(Deficiency)/excess of revenues over expenses	\$ (11,269)	\$ 288
Items requiring an outlay of funds		
Joseph M. Scott fund expenses	-	(1,000)
Changes in non-cash operating working capital		
(Increase)/decrease in accounts receivable	5,205	(2,839)
Increase/(decrease) in accounts payable and accrued liabilities	3,113	(2,871)
Increase/(decrease) in deferred revenue	4,337	-
Net cash provided by/(used in) operations	1,386	(6,422)
Investing activities		
(Increase)/decrease in investments	(311)	(335)
Net increase/(decrease) in cash and cash equivalents	1,075	(6,757)
Cash and cash equivalents, beginning of year	45,218	51,975
Cash and cash equivalents, end of year	\$ 46,293	\$ 45,218
Cash and cash equivalents are represented by:		
Cash on hand and in bank	\$ 46,293	\$ 45,218
	\$ 46,293	\$ 45,218

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1. NATURE OF THE ORGANIZATION

The Manitoba Association of Medical Laboratory Science Inc. (the Organization) 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, 2018

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

Investments consist of two interest bearing Guaranteed Investment Certificates (GIC's) held by TD Canadian Trust. One investment has a value of \$18,853, bears interest at 1% and matures on June 16, 2020. The second investment has a value of \$11,963, bears interest at 1.8% and matures on December 10, 2021.

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.

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.