

*Financial Statements of*

**ASSOCIATION OF PROFESSIONAL  
ENGINEERS AND GEOSCIENTISTS  
OF THE PROVINCE OF MANITOBA**

**O/A ENGINEERS GEOSCIENTISTS  
MANITOBA**

*June 30, 2021*

## INDEPENDENT AUDITOR'S REPORT

To the Members of Association of Professional Engineers and Geoscientists of the Province of Manitoba  
O/A Engineers Geoscientists Manitoba

### Opinion

We have audited the financial statements of the Association of Professional Engineers and Geoscientists of the Province of Manitoba O/A Engineers Geoscientists Manitoba (the "Association"), which comprise the statement of financial position as at June 30, 2021, and 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association of Professional Engineers and Geoscientists of the Province of Manitoba O/A Engineers Geoscientists Manitoba as at June 30, 2021, 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 ("ASNPO").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Association 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 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 GAAS 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 GAAS, 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 Association'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 Association'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 Association 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.

*Deloitte LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
September 9, 2021

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**ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF  
THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOSCIENTISTS MANITOBA  
Statement of Operations  
Year Ended June 30, 2021**

	2021	2020
<b>REVENUE</b>		
Annual dues (Note 5)	\$ 3,547,220	\$ 3,190,500
Certificates and licenses	463,648	450,236
Application assessment and administration	252,793	242,032
Government of Manitoba - BRACE program	128,750	-
Examination fees	66,860	68,240
Meetings and events	72,168	98,570
Other	37,528	40,849
	<b>4,568,967</b>	<b>4,090,427</b>
<b>EXPENSES</b>		
Advertising and promotion	112,758	253,957
Amortization	110,120	113,430
Bank and financial service charges	120,306	126,547
Certificates and seals	39,838	34,485
Contract and consulting	438,723	346,708
EngCan and GeoCan annual membership	88,804	90,830
Equipment rent and lease	20,572	59,149
Honoraria, awards and incentives	16,846	14,255
Insurance	16,470	19,552
Legal and accounting fees	287,808	273,680
Licenses dues and subscriptions	13,515	6,646
Loss on disposal of capital assets	4,810	-
Meeting, venue and speaker costs	78,784	236,073
Miscellaneous	8,603	12,484
Office supplies and small tools	16,722	24,121
Office lease and occupancy costs	369,423	451,519
Payroll taxes, insurance and processing fees	126,405	110,825
Postage and delivery	31,530	28,271
Printing and reproduction	32,722	48,238
Salaries and benefits	1,993,417	1,870,703
Secondary professional liability insurance program	36,334	37,858
Sponsorships funding and support	434,345	156,287
Staff and governance training	24,826	13,213
Telecommunications, computers, and internet	50,236	44,957
Travel	1,073	30,258
	<b>4,474,990</b>	<b>4,404,046</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>		
BEFORE INVESTMENT REVENUE (EXPENSES)	<b>93,977</b>	<b>(313,619)</b>
<b>INVESTMENT REVENUE (EXPENSES)</b>		
Realized	124,590	331,297
Unrealized	617,549	(319,143)
Investment transaction and portfolio management fees	(49,469)	(48,764)
	<b>692,670</b>	<b>(36,610)</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ 786,647</b>	<b>\$ (350,229)</b>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF THE PROVINCE OF MANITOBA O/A ENGINEERS GEOSCIENTISTS MANITOBA**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2021**

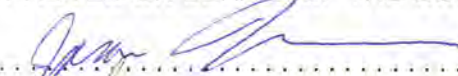
	2021										
	Internally Restricted										
	Unrestricted	Invested in Capital Assets	Committee Reserve	Long-term Reserve	Hearings	Discipline By-law	Engineering Changes Lives	Association Centennial	Indigenous Outreach	Governance Review	Total
BALANCE, BEGINNING OF YEAR	\$ 908,356	\$ 880,876	\$ 6,757	\$ 1,200,000	\$ 25,000	\$ 250,000	\$ -	\$ 484,203	\$ 35,233	\$ -	\$ 3,790,225
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	1,192,840	(114,930)	-	-	-	-	-	(391,263)	-	100,000	786,647
ACQUISITION OF CAPITAL ASSETS	(186,878)	186,878	-	-	-	-	-	-	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 1,914,318</b>	<b>\$ 952,824</b>	<b>\$ 6,757</b>	<b>\$ 1,200,000</b>	<b>\$ 25,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 92,940</b>	<b>\$ 35,233</b>	<b>\$ 100,000</b>	<b>\$ 4,576,872</b>

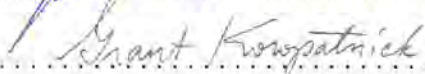
	2020										
	Internally Restricted										
	Unrestricted	Invested in Capital Assets	Committee Reserve	Long-term Reserve	Hearings	Discipline By-law	Engineering Changes Lives	Association Centennial	Indigenous Outreach	Governance Review	Total
BALANCE, BEGINNING OF YEAR	\$ 957,663	\$ 953,896	\$ 6,757	\$ 1,200,000	\$ 25,000	\$ 250,000	\$ 166,864	\$ 580,274	\$ -	\$ -	\$ 4,140,454
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(9,097)	(113,430)	-	-	-	-	(166,864)	(96,071)	35,233	-	(350,229)
ACQUISITION OF CAPITAL ASSETS	(40,210)	40,210	-	-	-	-	-	-	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 908,356</b>	<b>\$ 880,676</b>	<b>\$ 6,757</b>	<b>\$ 1,200,000</b>	<b>\$ 25,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 484,203</b>	<b>\$ 35,233</b>	<b>\$ -</b>	<b>\$ 3,790,225</b>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF  
THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOSCIENTISTS MANITOBA  
Statement of Financial Position  
June 30, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 2,185,770	\$ 2,133,182
Accounts receivable	47,664	10,856
Government remittances receivable	17,051	6,691
Prepaid expenses	158,355	188,186
Investments (Note 3)	320,465	199,990
	<u>2,729,305</u>	<u>2,538,905</u>
INVESTMENTS (Note 3)	3,758,498	2,958,246
CAPITAL ASSETS (Note 4)	952,624	880,676
	<u>\$ 7,440,427</u>	<u>\$ 6,377,827</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 719,664	\$ 439,945
Deferred revenue	2,143,891	2,147,657
	<u>2,863,555</u>	<u>2,587,602</u>
COMMITMENT (Note 6)		
<b>NET ASSETS</b>		
Unrestricted	1,914,318	908,356
Invested in capital assets	952,624	880,676
Internally restricted	1,709,930	2,001,193
	<u>4,576,872</u>	<u>3,790,225</u>
	<u>\$ 7,440,427</u>	<u>\$ 6,377,827</u>

APPROVED ON BEHALF OF THE COUNCIL

 President

 CEO & Registrar

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF  
THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOSCIENTISTS MANITOBA  
Statement of Cash Flows  
Year Ended June 30, 2021**

	<u>2021</u>	<u>2020</u>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	<b>\$ 786,647</b>	\$ (350,229)
Items not affecting cash:		
Amortization	<b>110,120</b>	113,430
Loss on disposal of fixed assets	<b>4,810</b>	-
	<b>901,577</b>	(236,799)
Changes in non-cash operating working capital items:		
Accounts receivable	<b>(36,808)</b>	20,545
Government remittances receivable	<b>(10,360)</b>	9,207
Prepaid expenses	<b>29,831</b>	(29,566)
Accounts payable	<b>279,719</b>	84,754
Deferred revenue	<b>(3,766)</b>	351,010
	<b>1,160,193</b>	199,151
<b>INVESTING ACTIVITIES</b>		
Change in investments, net	<b>(920,727)</b>	1,463,591
Purchase of capital assets	<b>(186,878)</b>	(40,210)
	<b>(1,107,605)</b>	1,423,381
<b>NET INCREASE IN CASH POSITION</b>	<b>52,588</b>	1,622,532
<b>CASH POSITION, BEGINNING OF YEAR</b>	<b>2,133,182</b>	510,650
<b>CASH POSITION, END OF YEAR</b>	<b>\$ 2,185,770</b>	\$ 2,133,182



**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**1. DESCRIPTION OF BUSINESS**

The Association of Professional Engineers and Geologists of the Province of Manitoba operating as Engineers Geologists Manitoba (the "Association") is incorporated under the laws of the Province of Manitoba and is engaged in the administration of The Engineering and Geologic Professions Act of Manitoba (the "Act"). The Association is a non-profit organization for the purposes of the Income Tax Act and accordingly is exempt from income taxes.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) *Fund accounting*

The Association utilizes the following funds to manage and report its activities.

*Unrestricted Fund*

The Unrestricted (General) Fund accounts for the Association's program delivery and administrative activities. These net assets report unrestricted resources available to the Association.

*Invested in Capital Assets Fund*

Invested in Capital Assets net assets report the assets, liabilities, revenue and expenses related to the Association's capital assets.

*Committee Reserve Fund*

The Committee Reserve net assets report appropriations to fund specified committee and subcommittee activities.

*Long-term Reserve Fund*

Long-term Reserve net assets report appropriations to fund future unforeseen or extraordinary events. Appropriations to and from these net assets occur at Council's discretion.

*Hearings Fund*

The Hearings Fund reports appropriations for expenses incurred for the conduct of hearings relative to appeals on rejected applications for membership as described under PART 6, Sections 20 through 23 of the Act.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

a) *Fund accounting (continued)*

*Discipline By-Law Fund*

The Discipline By-law fund was established by Council for the purpose of administering and enforcing the discipline provisions of its by-laws. The net assets may be maintained by assessing general membership an amount set by Council. Appropriations from the net assets are to fund investigations conducted by the Investigation Committee and formal hearings of the Discipline Committee and appeals therefrom.

*Engineering Changes Lives Fund*

The Engineering Changes Lives Fund was established by Council for the development and implementation of a strategic plan and marketing campaign aimed at increasing the participation of women in Engineering. The two year project has been allocated \$785,000 to be expended commencing January 1st, 2018 to December 31st, 2019 and aligns with Governance Policy E-5.2 - "By 2030, 30% of newly licensed engineers will be women and this is a priority". During the prior year, the Engineering Changes Lives Fund was wound down as the initiative was rolled into regular programming.

*Association Centennial Fund*

The Association Centennial net assets report appropriations to fund the Association's centennial year events. Appropriations to and from the net assets occur at Council's discretion.

*Indigenous Outreach Fund*

Council approved a dues increase in the 2018-2019 fiscal year, which had been allocated for the purpose of initiating a new Indigenous Outreach program. Delays in finding a person to fill the new staff position resulted in underspending during the 2018-2019 fiscal year as compared to budget.

In May 2020, the Finance Committee deemed it appropriate to segregate the unspent budget into a fund restricted for the originally intended purpose of increasing Indigenous participation and inclusion in the professions.

*Governance Review*

Council plans to engage an expert to review the governance structure used by the association. At the request of Council, the fund was established through the Finance Committee in the spring of 2021 to set aside the estimated amount required to perform this review.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*b) Revenue recognition*

The Association follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Until such time, externally restricted contributions are reported as deferred revenue.

Unrestricted contributions are recognized as revenue in the unrestricted fund when received or receivable, as long as the amount to be received can be reasonably estimated and collection is reasonably assured.

Member and Intern annual dues, and Specified Scope of Practice annual licenses are based on the calendar year and are recognized into income on straight-line basis from January 1 through December 31.

Student annual dues are based on the academic year and are recognized into income on straight-line basis from October 1 through September 30.

Certificates of Authorization annual fees are based on the certification year as defined by the Association and are recognized into income on a straight-line basis from May 1 through April 30.

Temporary license annual fees are valid for one year from the date of issuance and are recognized into income on a straight-line basis over 12 months from the original date of issuance.

Deferred revenue represents the portion of the annual dues, certificates and licenses which have not been recorded as revenue and will be recorded as revenue in the subsequent fiscal year.

Other revenue, including application fees, examination fees, and meetings and events revenue, are recognized when the service is performed, the amount to be received can be reasonably estimated, and collection is reasonably assured.

Investment income is recognized on an accrual basis as earned.

*c) Capital assets*

Capital assets are recorded at cost less accumulated amortization in the statement of financial position. Amortization based on the estimated useful life of the asset is calculated as follows with a proration in the year of acquisition:

Computer equipment	33 1/3% declining balance
Computer software	33 1/3% declining balance
Office furniture and equipment	10% declining balance
Leasehold improvements	10% declining balance

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

d) *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Association becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, with the exception of investments in shares listed on a public exchange, which are measured at fair value. The fair value of listed shares is based on the latest closing price, and the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Association recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net earnings in the period the reversal occurs.

e) *Use of estimates*

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the estimated useful lives of fixed assets. Actual amounts could differ from those estimates.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**3. INVESTMENTS**

The details of the Association's investments as at June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Bonds and guaranteed income certificates	\$ 929,246	\$ 719,914
Securities		
Canadian	1,796,112	1,385,412
Foreign	1,353,605	1,052,910
	<u>4,078,963</u>	<u>3,158,236</u>
Less: maturing within 12 months	(320,465)	(199,990)
	<u>\$ 3,758,498</u>	<u>\$ 2,958,246</u>

Bonds and guaranteed investment certificates bear interest ranging from 1.01% to 3.20% (2020 – 1.79% to 4.00%) with maturities from November 2021 – June 2029 (2020 – November 2020 to June 2025).

**4. CAPITAL ASSETS**

	<u>2021</u>			<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 431,828	\$ 391,662	\$ 40,166	\$ 50,319
Computer software	165,212	147,871	17,341	17,155
Office furniture and equipment	615,593	296,379	319,214	313,561
Leasehold improvements	1,209,463	633,560	575,903	499,641
	<u>\$ 2,422,096</u>	<u>\$ 1,469,472</u>	<u>\$ 952,624</u>	<u>\$ 880,676</u>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**5. ANNUAL DUES**

Annual dues are made up of the following:

	<u>2021</u>	<u>2020</u>
Interns	\$ 450,260	\$ 394,939
Practicing	3,063,022	2,739,290
Retired	18,908	40,016
Students	15,030	16,255
	<u>\$ 3,547,220</u>	<u>\$ 3,190,500</u>

The retired category of annual dues was eliminated for the 2021 membership year. The revenue recorded for the retired category for the year ended June 30, 2021 is for 6 months from the 2020 membership year.

**6. COMMITMENT**

The Association has entered into a lease agreement for its office premises expiring in January 2027 with annual lease payments of \$217,000.

**7. CAPITAL MANAGEMENT**

The Association defines capital as its net assets and it is not subject to any externally imposed capital requirements, which are unchanged from the prior year.

The Association's objectives when managing capital are:

- a. To safeguard its ability to continue as a going concern, and
- b. To continue to meet its obligations under the Act

The Association manages its capital by following the Asset Protection & Risk Management policy (EL-4) while adhering to:

- a. Consideration of economic conditions and the risk characteristics of underlying assets;
- b. Establishment of annual operating and capital budgets and monitoring related performance
- c. Establishment of rolling performance objectives for excess of revenue over expense and cash flow and monitoring related performance
- d. Maintaining liquid assets at least sufficient to fund operating expenses as they arise; and
- e. Controlling operating expenses relative to available revenue.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOLOGICISTS MANITOBA  
Notes to the Financial Statements  
June 30, 2021**

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**8. FINANCIAL INSTRUMENT RISK MANAGEMENT**

*Financial risk*

Financial risk is the risk to the Association's earnings that arises from fluctuations in interest rates earned on investments, and the degree of volatility of these rates. The Association does not use derivative instruments to reduce its exposure to interest rate risk.

*Credit risk*

Credit risk arises from the potential that a counterparty will fail to perform its obligations. Credit risk on short-term investments is managed by placing the investment portfolio with a major Canadian financial institution.

*Liquidity risk*

Liquidity risk is the risk that the Association will not be able to meet its obligations as they fall due. The Association maintains adequate levels of working capital to ensure all its obligations can be met when they fall due. Investments are also held in securities that can be liquidated within a few days notice.

*Equity market risk*

Equity market risk is the potential for financial loss from price changes or volatility in equity markets. The Association's investments in Canadian and Foreign equities and bonds are subject to equity market risk which is mitigated through portfolio diversification.

*Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association is exposed to foreign exchange risk since it holds a portion of its investments in foreign equities. The Association does not use derivative instruments to reduce its exposure to foreign exchange risk.

**9. COVID-19**

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including that of the Association. At this time it is not possible for the Association to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Association's business.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF  
THE PROVINCE OF MANITOBA  
O/A ENGINEERS GEOSCIENTISTS MANITOBA  
Changes in Members' Roll and Members in Training  
Year Ended June 30, 2021  
(Unaudited)**

**Members on Roll**

Members on Roll, June 30, 2020		6,761
Reinstatements	8	
Reinstatements - Mobility	47	
Registrations - Mobility	292	
Transferred from Temporary Licensees	1	
Transferred from Intern	206	554
		<hr/> 7,315
Deceased	14	
Withdrawn	503	
Written-off	202	719
Members on Roll, June 30, 2021		<hr/> <b>6,596</b>

**Interns on Roll**

Interns on Roll, June 30, 2020		1,738
Reinstatements	15	
New from applications	246	
Assessment program	130	391
		<hr/> 2,129
Deceased	-	
Transferred to Member	206	
Withdrawn	63	
Written-off	74	343
Interns on Roll, June 30, 2021		<hr/> <b>1,786</b>

**Temporary Licenses on Roll**

Licensees on Roll, June 30, 2020		11
New from Applications	10	10
		<hr/> 21
Expired	9	
Transferred to Member	1	
Withdrawn	-	10
Licensees on Roll, June 30, 2021		<hr/> <b>11</b>

**Specified Scope of Practice Licensees on Roll**

Specified Scope of Practice Licensees on Roll, June 30, 2020		15
New from Applications	5	5
		<hr/> 20
Withdrawn	-	-
Specified Scope of Practice Licensees on Roll, June 30, 2021		<hr/> <b>20</b>