

# Physician Recruitment Agency of Saskatchewan



Annual Report for the Five-  
Month Period Ended  
August 31, 2018

## **Mandate**

The mandate of the Physician Recruitment Agency of Saskatchewan is to work with system partners to optimize the health workforce in Saskatchewan.

## **Mission**

Our mission is to promote and support a collaborative environment that attracts and retains the healthcare workforce in Saskatchewan. We do this by:

- Promoting Saskatchewan as a province where you can live, work and play;
- Working with system partners to recruit a strong and balanced healthcare workforce that supports cohesive care teams;
- Serving as a point of contact for employers and recruits;
- Recruiting, screening, advising, assisting and matching potential candidates;
- Creating a more efficient recruitment environment that lessens competition among recruiting organizations;
- Collaborating with the Saskatchewan Health Authority (SHA), communities, physicians, health professionals, professional associations and Saskatchewan trained graduates to develop sustainable recruitment and retention in the province;
- Promoting and supporting effective policies; and,
- Helping Saskatchewan graduates pursue careers in the province.

## **Vision Statement**

We put patients first by making Saskatchewan a preferred choice for a dynamic healthcare workforce. This vision encompasses several ideals that include:

- An appropriate supply, mix and distribution of the health workforce to ensure stable, professional communities;
- Sustainable recruitment and retention models that are effective, collaborative and easily accessed; and,
- Saskatchewan graduates pursue careers in the province.

## **Values**

Our primary values are: collaboration, integrity and putting patients first.

- Collaboration means engaging physicians, healthcare workers, health regions, communities and many system partners in an open and supportive environment. Collaboration also means building and maintaining relationships and partnerships with key stakeholders provincially, nationally and internationally;
- Integrity means encouraging and practicing the highest standards of professional and ethical behavior, and operating in a manner that promotes quality and safety;
- Putting patients first means measuring success by our impact on the health of Saskatchewan people.

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# Letters of Transmittal



The Honourable Thomas Malloy,  
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Physician Recruitment Agency of Saskatchewan for the five-month period ended August 31, 2018.

A handwritten signature in blue ink, appearing to read 'Jim Reiter', written in a cursive style.

Honourable Jim Reiter  
Minister of Health



The Honourable Jim Reiter  
Minister of Health

I have the honour of submitting the Annual Report of the Physician Recruitment Agency of Saskatchewan for the five-month period ended August 31, 2018.

A handwritten signature in blue ink, appearing to read 'Karen Lautsch', written in a cursive style.

Karen Lautsch  
Assistant Deputy Minister of Health and Board Chair

# Governance

The Physician Recruitment Agency of Saskatchewan (PRAS) is a Treasury Board Crown corporation created in 2010 to help alleviate the physician staffing pressures faced by communities and regions of the province. In 2014, the Agency assumed operations of Health Careers in Saskatchewan (HCIS), which was previously managed by the Ministry of Health since 2006. For the purposes of this report both PRAS and HCIS will be referred to as “the Agency.”

The Agency is governed by a 10 member Board of Directors appointed by the Government of Saskatchewan. The Agency’s board members for the five month period ending August 31, 2018 were:

- 1) Chair, Karen Lautsch, Assistant Deputy Minister  
Representing: Ministry of Health
- 2) Vice-Chair, David Fan, CEO, Prairie North Regional Health Authority (former)  
Representing: former Regional Health Authorities
- 3) Randy Donauer, Councillor, City of Saskatoon  
Representing: Saskatchewan Urban Municipalities Association (SUMA)
- 4) Alastair MacFadden, Deputy Minister  
Representing: Ministry of Immigration and Career Planning
- 5) Judy Harwood, Reeve, Rural Municipality of Corman Park  
Representing: Saskatchewan Association of Rural Municipalities (SARM)
- 6) Jay Meyer  
Representing: Public
- 7) Dr. Kent Stobart  
Vice Dean, Education, College of Medicine, University of Saskatchewan  
Representing: College of Medicine
- 8) Dr. Raza Naqvi, Radiology Resident  
Representing: Resident Doctors of Saskatchewan (RDoS)
- 9) Taylor Davis, U of S Medical Student  
Representing: Student Medical Society of Saskatchewan (SMSS)
- 10) Dr. Larry Sandomirsky, Rural Family Physician  
Representing: Saskatchewan Medical Association (SMA)

Recruitment efforts aligned with one of the Government of Saskatchewan’s goals to secure a better quality of life for all Saskatchewan people. Our efforts in this area focus on developing new policies and programs to help the Agency achieve its objectives, which are: recruiting physicians and professionals in specific professions that make up dynamic health care teams; and, retaining the physicians and professionals we have in this province.

On July 11, 2018, pursuant to Part IV, Section 16 of the Crown Corporation Act, 1993, Order in Council 351/2018 established the wind-down and dissolution of the Agency. The corporation was dissolved effective August 31, 2018.

# Management Report

The accompanying financial statements are the responsibility of management and have been approved in principle by the Physician Recruitment Agency of Saskatchewan's Board of Directors. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and, of necessity, include some amounts that are based on estimates and judgments. The financial information presented in the Financial Summary and elsewhere in this report is consistent with that in the financial statements.

Management maintains an appropriate system of internal control, including policies and procedures, which provide reasonable assurances that the Agency's assets are safeguarded and that financial records are relevant and reliable.

The Board of Directors carries out its responsibility for the financial statements and for overseeing management's financial reporting responsibilities by meeting with management to discuss and review financial matters. The Provincial Auditor of Saskatchewan has full and open access to the Board of Directors.

The Provincial Auditor of Saskatchewan conducts an independent audit of the financial statements. Her examination is conducted in accordance with Canadian generally accepted auditing standards and includes tests and other procedures which allow her to report on the fairness of the financial statements. The Auditor's Report outlines the scope of her audit and opinion.

On behalf of management,



Heather Friday  
A/Chief Executive Officer

**PHYSICIAN RECRUITMENT AGENCY OF SASKATCHEWAN**

**FINANCIAL STATEMENTS**

**For the Five-Month Period Ended August 31, 2018**



## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

### Opinion

We have audited the financial statements of the Physician Recruitment Agency, which comprise the statement of financial position as at August 31, 2018, and the statement of operations and accumulated surplus, statement of change in net financial assets and statement of cash flows for the five-month period 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 Physician Recruitment Agency as at August 31, 2018, and the results of its operations for the five-month period then ended in accordance with Canadian public sector accounting standards.

### Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the financial statements, which refers to the discontinuation of operations of the Physician Recruitment Agency on August 31, 2018. These financial statements have therefore been prepared using net realizable value for financial and non-financial assets and the estimated settlement amount of its liabilities.

### 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 Physician Recruitment Agency 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 these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, 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 Physician Recruitment Agency'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 Physician Recruitment Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Physician Recruitment Agency'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 Physician Recruitment Agency'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 Physician Recruitment Agency'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.
- 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 identified during the audit.

A handwritten signature in black ink that reads "Judy Ferguson".

Regina, Saskatchewan  
April 12, 2019

Judy Ferguson, FCPA, FCA  
Provincial Auditor  
Office of the Provincial Auditor

Statement 1

**Physician Recruitment Agency of Saskatchewan  
Statement of Financial Position  
For the Five-Month Period Ended August 31, 2018**

	<u>31-Aug-18</u>	<u>31-Mar-18</u>
<b>Financial Assets</b> (Note 1 & Note 3)		
Due from the General Revenue Fund (Note 4)	\$ -	\$ 1,436,779
Accounts Receivable	-	170,166
	<u>\$ -</u>	<u>\$ 1,606,945</u>
<b>Liabilities</b>		
Accounts Payable	\$ -	\$ 186,620
Accrued Liabilities	-	24,098
	<u>\$ -</u>	<u>\$ 210,718</u>
<b>Net Financial Assets - Statement 3</b>	<u>-</u>	<u>1,396,227</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 5)	\$ -	\$ 142,374
Prepaid Expenses (Note 6)	-	21,599
	<u>\$ -</u>	<u>\$ 163,973</u>
<b>Accumulated Surplus - Statement 2</b>	<u>\$ -</u>	<u>\$ 1,560,200</u>
Contractual Obligations (Note 7)		

(See Accompanying Notes to Financial Statements)

**Physician Recruitment Agency of Saskatchewan  
Statement of Operations and Accumulated Surplus  
For the Five-Month Period Ended August 31, 2018**

	<u>2018-19 Budget (Note 12)</u>	<u>For Five Months Ended August 31, 2018</u>	<u>For Year Ended Mar 31, 2018</u>
<b>Revenue</b>			
Ministry of Health - General Revenue Fund			
Operating Grant	\$ 1,900,000	\$ -	\$ 1,852,000
Program Grant (Note 10)	725,000	45,550	721,734
Interest Revenue	2,500	4,063	13,690
Miscellaneous Revenue	-	4,402	4,933
	<u>\$ 2,627,500.00</u>	<u>\$ 54,015</u>	<u>\$ 2,592,357</u>
<b>Expenses</b>			
Corporate Services			
Salaries and Benefits	\$ 1,380,876	\$ 413,666	\$ 1,136,504
Accommodations	171,600	50,597	157,424
Office Equipment and Supplies	132,825	43,018	99,444
Other	66,600	6,680	30,547
Board	13,000	2,196	7,193
Program	348,700	32,912	192,897
Communications	324,000	74,419	231,670
Grant Programs	700,000	45,550	736,479
Amortization	45,000	12,390	39,734
Restructuring Expense (Note 1 & 3)	-	932,787	-
	<u>\$ 3,182,601</u>	<u>\$ 1,614,215</u>	<u>\$ 2,631,892</u>
<b>(Deficit) For the Period</b>	<u>\$ (555,101)</u>	<u>\$ (1,560,200)</u>	<u>\$ (39,535)</u>
Accumulated Surplus, Beginning of Period		<u>1,560,200</u>	<u>1,599,735</u>
<b>Accumulated Surplus, End of Period</b>		<u>\$ -</u>	<u>\$ 1,560,200</u>

(See Accompanying Notes to Financial Statements)

Statement 3

**Physician Recruitment Agency of Saskatchewan  
Statement of Change in Net Financial Assets  
For the Five-Month Period Ended August 31, 2018**

	<u>For Five Months Ended August 31, 2018</u>	<u>For Year Ended Mar 31, 2018</u>
<b>Deficit For the Period</b>	\$ (1,560,200)	\$ (39,535)
<b>Change in Non-Financial Assets</b>		
Acquisition of Tangible Capital Assets	-	(28,334)
Amortization of Tangible Capital Assets	12,390	39,734
Transfer of Tangible Capital Assets (Note 5)	129,983	-
Transfer of Prepaid Expenses (Note 3)	91,664	
Change in Prepaid Expenses	(70,064)	9,206
<b>Net Change in Non-Financial Assets</b>	<u>\$ 163,973</u>	<u>\$ 20,606</u>
<b>Decrease in Net Financial Assets</b>	<u>(1,396,227)</u>	<u>(18,929)</u>
Net Financial Assets, Beginning of Period	<u>1,396,227</u>	<u>1,415,156</u>
<b>Net Financial Assets, End of Period - Statement 1</b>	<u>\$ -</u>	<u>\$ 1,396,227</u>

(See Accompanying Notes to Financial Statements)

**Physician Recruitment Agency of Saskatchewan  
Statement of Cash Flows  
For the Five-Month Period Ended August 31, 2018**

	<u>For Five Months Ended August 31, 2018</u>	<u>For Year Ended Mar 31, 2018</u>
<b>Cash Flows from Operating Activities:</b>		
<b>Deficit For the Period (Statement 2)</b>	\$ (1,560,200)	\$ (39,535)
Add: Non-Cash Items <sup>1</sup>		
Amortization	12,390	39,734
Transfer of Non Cash Accounts to Saskatchewan Health Authority (Note 3)	132,773	-
(Increase)/Decrease in Accounts Receivable	(11,431)	(82,494)
Decrease/(Increase) in Prepaids	(70,064)	9,206
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	59,753	(13,231)
	<u>\$ (1,436,779)</u>	<u>\$ (86,320)</u>
Net cash (used)/provided by operating activities		
<b>Cash Flows from Capital Activities:</b>		
Purchase of Capital Assets	\$ -	(28,334)
	<u>(1,436,779)</u>	<u>(114,654)</u>
<b>Increase/(Decrease) in Due from General Revenue Fund</b>		
	1,436,779	1,551,433
Due from the General Revenue Fund, Beginning of Period	<u>1,436,779</u>	<u>1,551,433</u>
<b>Due from the General Revenue Fund, End of Period</b>	<u>\$ -</u>	<u>\$ 1,436,779</u>

(See Accompanying Notes to Financial Statements)

<sup>1</sup> For the Five Months Ended August 31, 2018 the increases and decreases reflect the difference between the opening balance and balance at date of transfer.

**Physician Recruitment Agency of Saskatchewan  
Notes to the Financial Statements  
For the Five-Month Period Ended August 31, 2018**

**1. Status of the Corporation**

The Physician Recruitment Agency of Saskatchewan (herein 'PRAS' or 'the Agency') was established as a Treasury Board Crown Corporation by Order in Council 84/2010 under the provisions of *the Crown Corporation Act, 1993* (Act).

As a response to the Saskatchewan Advisory Panel on Health System Structure Report, the governance arrangements for several health partner agencies were reviewed. Following the review, it was determined that the Agency should be transitioned into the Saskatchewan Health Authority (SHA).

On July 11, 2018, pursuant to Part IV, Section 16 of *the Crown Corporation Act, 1993*, Order in Council 351/2018 established the wind-down and dissolution of the Agency. The corporation was dissolved effective August 31, 2018.

**2. Significant Accounting Policies**

Pursuant to standards established by the Canadian Public Sector Accounting Board, the Agency is classified as an other government organization. The Agency uses Canadian Public Sector Accounting Standards published by the Chartered Professional Accountants of Canada. These statements do not include a statement of remeasurement gains and losses as there are no relevant transactions to report. The following principles are considered to be significant:

a. Basis of Accounting

These financial statements have been prepared using net realizable value for financial and non-financial assets, and estimated settlement amounts for liabilities.

b. Grant Revenue

Grant Revenues are recognized in the financial statements in the period in which the grants are authorized, eligibility criteria are met, and reasonable estimates of the amount can be made.

c. Expenses

Expenses represent the cost of resources consumed during the reporting period. Expenses include provision for the amortization of tangible capital assets.

**Physician Recruitment Agency of Saskatchewan**  
**Notes to the Financial Statements**  
**For the Five-Month Period Ended August 31, 2018**

d. Tangible Capital Assets

Tangible Capital Assets are recorded at cost and are amortized over their useful life. Reporting period in which the asset is placed into service, amortization is recorded on a straight line basis using the rates set out below.

<u>Capital Asset Class &amp; Category</u>	<u>Threshold</u>	<u>Estimated Useful Life</u>
System development (IT)	\$5,000	10%
Computer hardware	\$1,000	20%
Computer software	\$1,000	20%
Office furniture and equipment	\$1,000	10%

e. Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets if they can be used to provide services in future periods. These assets do not normally provide resources to discharge liabilities unless they are sold.

f. Measurement Uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expense during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, such adjustments are reported in the Statement of Operations in the period in which they become known.

g. New Accounting Standards in Effect

On April 1, 2018, the Agency adopted Public Sector Accounting standard PS 3430 Restructuring Transactions. The financial statements and note disclosures were prepared in accordance with the above standard. Refer to Note 3 and 8 for more information.

**Physician Recruitment Agency of Saskatchewan  
Notes to the Financial Statements  
For the Five-Month Period Ended August 31, 2018**

**3. Transfer to the Saskatchewan Health Authority**

On July 23, 2018, the Agency transferred its financial assets, liabilities, non-financial assets and accumulated surplus to the SHA, per Part IV, Section 16 of *the Crown Corporation Act, 1993*. The transfer was comprised as follows:

	<b>Balance 23-Jul-18</b>
<b>Financial Assets</b>	
Due from General Revenue Fund	\$800,014
Accounts Receivable	181,597
<b>Total Financial Assets</b>	<u>\$981,611</u>
<b>Liabilities</b>	
Accounts Payable	\$240,083
Accrued Liabilities	30,388
<b>Total Liabilities</b>	<u>\$270,471</u>
<b>Net Financial Assets</b>	<u>\$711,140</u>
<b>Non-Financial Assets</b>	
Tangible Capital Assets (Note 5)	\$129,983
Prepaid Expense (Note 6)	91,664
<b>Total Non-Financial Assets</b>	<u>\$221,647</u>
<b>Net Assets</b>	<u><u>\$932,787</u></u>

**4. Due from the General Revenue Fund**

The Agency's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis into the Agency's bank account using the Government's thirty-day borrowing rate and the Agency's average daily account balance. In 2018-19 (to July 23, 2018) the average interest rate was 1.27% (2017-18 was 0.87%).



**Physician Recruitment Agency of Saskatchewan**  
**Notes to the Financial Statements**  
**For the Five-Month Period Ended August 31, 2018**

**5. Capital Assets**

	Computer software	Furniture & equipment	System development	Computer hardware	July 23, 2018 Totals	March 31, 2018 Totals
Opening cost	\$1,464	\$23,224	\$304,989	\$2,653	\$332,330	\$303,997
Additions during the period	-	-	-	-	-	28,333
Disposals during the period	-	-	-	-	-	-
Closing cost	1,464	23,224	304,989	2,653	332,330	332,330
Opening accumulated amortization	1,464	11,352	176,079	1,062	189,957	150,223
Amortization during the period	-	724	11,501	165	12,390	39,734
Disposals during the period	-	-	-	-	-	-
Closing accumulated amortization	1,464	12,076	187,580	1,227	202,347	189,957
Net book value of tangible capital assets	\$ -	\$11,148	\$117,409	\$1,426	\$129,983	\$142,374
Transfer to the Saskatchewan Health Authority (Note 3)	\$ -	(\$11,148)	(\$117,409)	(\$1,426)	(\$129,983)	-
Balance, end of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$142,374

**6. Prepaid Expenses**

Prepaid expenses primarily relate to advertising, future participation at conferences, and career fairs.

**7. Contractual Obligations**

The Agency had a lease agreement with Discovery Plaza Inc. Consulting for office space at a monthly rate of \$9,783. The agreement is in effect until October 31, 2019.

**8. Restructuring Transaction**

In accordance with PS 3430 Restructuring Transactions, the net effect of the restructuring was recognized in the line item Restructuring Expense on the Statement of Operations and Accumulated Surplus (Statement 2). The amount recognized in the financial statements was \$932,787 as detailed in Note 3.

**Physician Recruitment Agency of Saskatchewan**  
**Notes to the Financial Statements**  
**For the Five-Month Period Ended August 31, 2018**

**9. Related Parties**

These financial statements include routine transactions with related parties. The Agency is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan, as well as its key management personnel and their close family members. Additionally, the Agency is related to organizations where they have key management personnel and/or their close family members in common. Related party transactions include the following:

	<u>Aug 31, 2018</u>	<u>Mar 31, 2018</u>
<b>Revenue</b>		
Ministry of Health – Grant and Reimbursement	45,550	2,573,734
Ministry of Finance – Interest	4,063	13,690
Ministry of Finance – Maternity Top-up Repayment	-	4,539
Workers Compensation	4,418	-
<b>Expenses and Prepaid Expenses</b>		
Ministry of Finance – Pension and Benefits	65,604	189,950
Ministry of Central Services	35,174	72,746
Saskatchewan Polytechnic	-	26,800
SaskTel	3,934	12,361
SaskPower	2,115	5,361
SaskEnergy	644	3,096
Saskatchewan Health Authority	1,506	973
<b>Payables</b>		
Ministry of Central Services	24,087	55
Saskatchewan Health Authority	884	-
SaskTel	1,087	-
SaskEnergy	41	-
SaskPower	467	-
<b>Receivables</b>		
Ministry of Finance - Interest	716	3,923
Ministry of Finance – Maternity Top-up Repayment	-	4,539
Ministry of Health	45,550	161,479
Workers Compensation	4,418	-

The Public Service Commission provides payroll services at no costs.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. In addition, the Agency pays Provincial Sales Tax to the Ministry of Finance on all its taxable purchases.

**Physician Recruitment Agency of Saskatchewan**  
**Notes to the Financial Statements**  
**For the Five-Month Period Ended August 31, 2018**

**10. Program Grants**

Program Grants relate to funding to support the Rural Physician Incentive Program (RPIP):

- RPIP provides annual incentive payments of up to \$47,000 over four years to recent medical graduates practicing in rural and remote communities.

**11. Financial Instruments**

The Agency's financial instruments include: due from the general revenue fund, accounts receivable, accounts payable, and accrued liabilities. The following paragraphs disclose the significant aspects of these financial instruments.

a) Significant terms and conditions

There are no significant terms and conditions associated with the financial instruments that may affect the amount, timing, and certainty of future cash flows.

b) Interest rate risk

The Agency is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates. The Agency does not have any long-term investments that may be affected by market pressures.

The Agency's receivables and payables are non-interest bearing.

c) Credit risk

The Agency is exposed to credit risk from potential non-payment of accounts receivable.

The Agency's receivables are mostly from the provincial government; therefore, the credit risk is minimal.

d) Fair Value

For the following financial instruments, the carrying amounts approximate fair value due to their immediate or short-term nature:

Due from General Revenue Fund  
Accounts receivable  
Accounts payable  
Accrued liabilities

**12. Budget Approval**

The Agency's budget was approved by its Board of Directors on January 25, 2018.

**Physician Recruitment Agency of Saskatchewan  
Notes to the Financial Statements  
For the Five-Month Period Ended August 31, 2018**

**13. Pension Plan**

The Agency and its employees participate in the Public Employees Pension Plan, a defined contribution pension plan. Members contributed 5% of salary and the employer contributed 7.6% for 2018-19 (7.6% in 2017-18). The Agency's contribution for the five month period ended August 31, 2018 was \$19,861 (\$70,650 in 2017-18). The Agency's obligation relative to the pension plan is limited to making the required contributions.