



Nutsamaht (We are one)

BCCNM 2022 ANNUAL REPORT

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About BCCNM

We exist to ensure unshakeable confidence in nursing and midwifery care.

Who we are

We're the British Columbia College of Nurses and Midwives (BCCNM). As a health regulator, our legal obligation is to protect the public through the regulation of five distinct professions—licensed practical nurses, nurse practitioners, registered nurses, registered psychiatric nurses, and midwives. Regulation allows BCCNM to set standards for nurses and midwives. These standards ensure the public receives safe, competent, and ethical care. We honour the trust that the public puts in our hands and aspire to create unwavering confidence in their every interaction with nurses and midwives.

Regulation helps protect the public by ensuring nurse and midwife registrants provide care that is safe, competent, and ethical, and meets the standards set by the college.

Our regulatory philosophy

The following principles reflect our regulatory values about how we regulate to protect the public to optimize our impact. They define the essence of our character, providing the lens through which our staff, committees, and board approach the design, delivery, and evaluation of our regulatory programs, tools, processes, and policies.

1. Preventing harms

We believe in preventing harms to patients and the public whenever possible. We seek to reduce harm by being proactive and preventive. To do this, we implement tools and systems to anticipate, assess, and measure risk. When harms occur, we respond and offer registrants help with compliance or, if needed, take further measures.

2. Just and equitable culture

We believe in upholding the rights of Indigenous Peoples as set out in the United Nations Declaration on the Rights of Indigenous Peoples Act by understanding and upholding those rights, recognizing the impacts of settler colonialism, practising cultural safety and humility, addressing Indigenous-specific racism, and creating regulatory pathways for Indigenous ways of knowing and being.

We believe in justice, equity, diversity, and inclusion in the regulation of health professionals, which means being person- and family-centred in our approach and customizing our work to meet people where they are. We aim to identify, remove, and prevent systemic inequalities for all people.

3. Right-touch regulation

We believe in the right-touch approach of using the minimum regulatory force needed to achieve the desired results. We use the right-touch principles of being proportionate, agile, targeted, consistent, accountable, and transparent. We apply right-touch within a complex system, by bringing deep knowledge, skill, ability, self-reflection, and judgement to every decision we make.

4. Evidence-informed and results-oriented

We believe in seeking, applying, and, when needed, developing information to inform our decision-making. We establish performance measures, including process and outcome measures, to evaluate our work and optimize our impact.

5. Collaboration and engagement

We believe that working within a large complex health-care system, we need to collaborate with system partners, including other regulators, because it has the greatest impact in reducing harm to the public. We recognize our regulatory actions are more effective and targeted when we purposefully engage with our partners and the public we serve.

6. Leadership and innovation

We believe, as one of the largest health profession regulators in Canada, we have an important leadership role in protecting the public. We recognize the environment we work within is complex and at times we need to incur risk to innovate and drive regulatory change to prevent harm.

What we do

It's about trust. We firmly believe British Columbians are entitled to exceptional care. And so, we see the title of nurse or midwife as a commitment—a commitment that each of our registrants is trained, credible, and ready to support those at their most vulnerable.

We are adaptive and agile. We recognize gaps in competency and address them through meaningful engagement across the professions. We support anti-sexism, anti-racism, decolonization, and reconciliation in progressive and constructive ways.

We define. We set the standards of safe, ethical practice, assess nursing and midwifery education programs, establish requirements for registration with BCCNM, and address complaints about nurses and midwives. We work closely with educators, regulators, government, and other partners to ensure the standards of practice remain current, culturally safe, and person-centred in a world where public needs are constantly evolving.

We protect. We rigorously guard these standards from registration to retirement, protecting the public, but also protecting the reputation and credibility of registration, and the safe, ethical care registration stands for.

We uphold. We ensure accountability and consequences for not meeting BCCNM's standards. We use right-touch regulation where it counts, justly and transparently.

Because safe, ethical practice isn't only BCCNM's goal.

It's the goal of every party involved, the fuel for why we do what we do—regulator, nurse, and midwife alike.

Safe, ethical practice is at the core of how care is delivered. Simply put, confidence in care matters.



Message from Board Chair, and Registrar & CEO

Collaboration is essential for successful regulation, offering value to public and profession alike. We learn by listening to patients, clients, registrants, special interest groups, other regulators, professional associations, and diverse and underrepresented voices. We're not just a rulebook; we're a group of people, inspired and informed by the work of others.

Nutsamaht

One of the Knowledge Carriers we are so fortunate to work with, Sulksun, reminds us often that we are all one—nutsamaht. To us, this means we work hard to lift each other up, encourage and support one another, consider the impacts our actions have on others, and do our best to ensure that impact is positive.

When we reflect on the past year, we cannot help but think about nutsamaht. Regulation is never done in isolation. We collaborate with many different partners, drawing insight and inspiration from diverse perspectives, in service of our public protection mandate.

Adapting to the COVID-19 pandemic

If there has ever been a time for nutsamaht, it has been during the pandemic. COVID-19 variants continued to push B.C.'s health-care system—and the dedicated people working within it—to the limit. Fortunately, a deeper understanding of the virus and an assortment of effective vaccines put us in a far better position compared with March 2020.

A high provincial vaccination rate has been instrumental in enabling British Columbians to safely resume many of their pre-pandemic activities and interactions. And for the Ministry of Health, it was especially critical that health professionals are vaccinated. In March 2022, the Provincial Health Officer issued a new order requiring health regulators, including BCCNM, to record the COVID-19 vaccination status of all registrants. As the province's largest regulator, this was no small task. We are grateful to the many staff who put in long hours to meet the deadline, and are pleased to report 89% of practising nurses and midwives have confirmed they are vaccinated.

By 2022, the province had lifted many of the restrictions in place during the pandemic. This gave BCCNM the confidence to resume normal business operations; by June, all staff had returned to the office in a hybrid arrangement.

Removing barriers for internationally educated nurses

Health human resource planners and researchers have been signalling for many years the continued shortage of nurses, midwives, and other health-care professionals could, at some point, cause our system to fail. While BCCNM has been working on this issue for many years, COVID-19 created more urgency around finding solutions.

Last year, BCCNM, the Nursing Community Assessment Service (NCAS), and the Ministry of Health launched three initiatives aimed at reducing the time, effort, and cost for internationally educated applicants to register as a nurse in British Columbia. We also worked with other Canadian nurse regulators to update language proficiency requirements.

We welcomed the opportunity to work with the Ministry of Health and our partners to examine our processes once again, and refine where we can, to help the system address its health human resource needs. We are playing our essential role as part of the broader health-care system and acting, as always, with the safety of the public at the forefront of our minds.

Responding to the opioid overdose crisis

Sadly, the opioid overdose crisis continues to be a public health emergency and a humanitarian crisis. Last year, more than 2,200 people died in British Columbia from toxic drugs, making it the second deadliest year on record¹. BCCNM actively participates in provincial-level committees to assist those leading and implementing strategies to address the overdose and drug toxicity crisis to understand applicable nursing standards and scopes of practice. In 2022, we expanded opioid agonist treatment prescribing for RNs and RPNs and prescribing for safe supply for NPs.

Dismantling Indigenous-specific racism

We are proud of what we have done together this year in all areas of our work, but most especially our ongoing efforts to address systemic racism. We have pushed ourselves, both individually and as an organization, to advance change in our society. That said, our work in this regard is never done.

Board members, committee members, staff, and registrants, each have a role to play in reconciliation—educating ourselves, confronting biases, and considering how we can make a positive impact as a nurse, a midwife, or a member of our community.

We have taken small but significant steps to address one of the biggest issues facing our country. In 2022, BCCNM and the College of Physicians and Surgeons of BC introduced a new practice standard, *Indigenous Cultural Safety, Cultural Humility, and Anti-racism*, for B.C.'s 77,000 nurses, midwives, physicians, and surgeons. The standard, which was developed in consultation with Indigenous registrants, leaders, and clients, communicates the colleges' zero tolerance for Indigenous-specific racism in practice and outlines key requirements on providing culturally safe care for Indigenous people in B.C.

¹ Retrieved from: [bccs_illicit_drug_summary_infographic_2016-2022_infographic.pdf](https://www.bccs.ca/~/media/BCCS/Reports/2022/bccs_illicit_drug_summary_infographic_2016-2022_infographic.pdf) (gov.bc.ca)

A cultural and systemic shift takes time, and it requires purposeful and sincere actions to build relationships that will further our reconciliation journey. We are fortunate we have been able to seek out and create opportunities to do just that. It is a good reminder for us to see the work we are doing at the individual and organizational level is helping to address an issue that is much bigger than the matters we navigate each day.

Looking to the future

The past year has been a delicate balance between meeting the many ongoing and emerging needs of the present, while preparing for the future. In 2022, we created a new strategic plan to guide our work for the next five years, underpinned by a regulatory philosophy that informs how we do that work.

Following months of research, reflection, and consultation with BCCNM's board and leadership team, staff, government, and our many partners, we know where we want to be in 2027. We're envisioning a future in which we are well positioned to meet the challenges of regulating within an increasingly complex system, and in which we are set up to do our work efficiently and seamlessly, creating a better experience for staff, registrants, and other partners.

We have an exciting roadmap for the next five years, but we also need to be flexible and nimble to respond to new challenges and opportunities that may come our way. We know, for instance, the new Health Professions and Occupations Act (HPOA), which received Royal Assent on Nov. 24, 2022, has the potential to transform how regulators fulfill our mandate to protect the public.

Whether we're reflecting on the work of the past or reflecting on the work to come, the spirit of nutsamaht shines through. Each staff member and BCCNM partner played a different role and contributed in their own way, and collectively our work has supported the whole of our college, the registrants we regulate, and most importantly, the public we serve. We are one.



Tanya Momtazian
BCCNM Board Chair
(2023)



Cynthia Johansen
BCCNM Registrar & CEO

Our cultural safety & humility journey

Achieving Indigenous cultural safety and humility isn't a simple aspiration. It is necessarily nuanced and complex. If we are to dismantle the discrimination encountered by Indigenous Peoples in the health-care system, we must understand and truly feel the lasting impacts of colonization. Our continued commitment requires thoughtful engagement with Indigenous communities and self-reflection on our own implicit and explicit biases.

The release of the *In Plain Sight* report has been a galvanizing force for BCCNM. As the largest health regulator in B.C., we recognize we have a central responsibility in responding to these calls for change. Our job is to protect the public by ensuring nurses and midwives provide safe, competent, and ethical care. The report has shown us that First Nations, Métis, and Inuit (Indigenous Peoples) are not receiving the care they are entitled to, but instead have experienced pervasive discrimination and culturally unsafe care that contravenes our public protection mandate. There is an urgent need for all partners in the health-care system—including BCCNM—to take swift and decisive action to dismantle the systemic racism that has led to such poor health outcomes for Indigenous Peoples.

Our people and practices must be welcoming and relevant to all—registrants and the public alike. To get there, we're committed to ongoing consultation with Indigenous partners and listening to the experiences of others while recognizing our impact and influence across the professions we regulate.

We are explicitly anti-racist and anti-sexist, and we seek to address power imbalances inherent in the health-care system by promoting environments free from discrimination. We will continue developing and maintaining respectful processes and relationships grounded in mutual trust.

ABOUT SYEXWÁLIYA

Syexwáliya Ann Whonnock is an Elder and Knowledge Carrier from Squamish Nation and a Knowledge Keeper/Elder Advisor for many organizations, including BCCNM. She is also the SFU Indigenous Student Centre Elder in Residence. Syexwáliya has strong Indigenous worldviews and is widely respected and acknowledged for her work, energy, and commitment to her community. At BCCNM, Syexwáliya shares ancestral knowledge and traditional teachings to guide the organization's ongoing journey towards cultural safety and humility.

ABOUT SULKSUN

Sulksun (Shane Pointe) is proud to be a Coast Salish First Nations person. He is a highly respected Knowledge Keeper and ceremonialist. Sulksun is a Knowledge Keeper with the First Nations Health Authority and was the Knowledge Keeper for the investigation leading to the publication of the *In Plain Sight* report. He has worked with many B.C. health regulators.





Constructive disruption to Indigenous-specific racism: our efforts in 2022

Sept. 30, 2021 marked the first National Day for Truth and Reconciliation. The day honours First Nations, Inuit, and Métis victims and survivors of residential schools, as well as their families and communities. Public commemoration of the tragic and painful history and ongoing legacy of residential schools is a vital component of the reconciliation process, as it starts with acknowledging the truth.

In observance of this solemn occasion, we published [*BCCNM's Commitment to Action: Constructive disruption to Indigenous-specific racism amongst B.C. Nurses and Midwives*](#). The action plan reflected our commitment to enacting the recommendations put forth in the *In Plain Sight* report and provided a roadmap for BCCNM to follow in our work to make the health-care system culturally safe.

As part of the *Commitment to Action* plan, we worked with the College of Physicians and Surgeons of BC (CPSBC) to develop a new practice standard. We are pleased to report the [*Indigenous Cultural Safety, Cultural Humility, and Anti-racism*](#) practice standard went into effect in February 2022, following extensive consultation with Indigenous health-care leaders, registrants, and patients, as well as other health system partners.

In June 2022, together with CPSBC, we marked National Indigenous Peoples Day with the launch of a [*series of educational videos*](#) to help registrants apply the new practice standard. The videos guide B.C.'s 77,000 nurses, midwives, physicians, and surgeons in delivering culturally safe care to Indigenous patients and clients.

In advance of the second-annual National Day for Truth and Reconciliation, BCCNM published a companion guide to further assist registrants in applying the new practice standard. The companion guide incorporates Indigenous experiences to help nurses and midwives learn about culturally unsafe care and reflect on their own practice. We also released a [one-year update](#) on our Commitment to Action plan, having completed more than half of our 50-plus action items. BCCNM and CPSBC also formed a joint committee on complaints data collection and has begun reaching out to health authorities to collaborate at a provincial level regarding health-care complaints. Our Inquiry, Discipline, and Monitoring team is reviewing and considering adopting the Adverse Event Decision Pathway from the National Council of State Boards of Nursing to support employer/health authority decision-making and facilitate adverse event reporting to BCCNM. This tool will specifically address cultural safety and humility values and considerations.

In addition, as part of our review process for nursing and midwifery education programs, recognized programs will now be expected to incorporate the entry-level competencies regarding cultural safety and humility into their curriculums. We also clarified expectations related to the integration of the new *Indigenous Cultural Safety, Cultural Humility, and Anti-racism* practice standard into curriculums.

BCCNM is in the beginning of our journey, and we know much work remains. We are grateful for the many people within our organizations and the broader health-care system for their commitment and dedication to this work.

We were pleased to share the progress that has been made and we recommit ourselves to dismantling the racism that was built into our colonial health-care system—racism that continues to cause harm to this day.

We encourage all nurses, midwives, and college staff to reflect on their role in reconciliation, particularly within the health-care system.



Support and engagement

Practice support

Throughout 2022, nurses and midwives continued to show their tremendous dedication to providing safe care to clients, patients, and their families.

Registrants shared with us that they were frustrated and stressed that the world seemed to be moving on from COVID-19, dispensing with precautions, and returning to “normal” life, without recognizing the ongoing crisis. Nurses, midwives, and their colleagues were also significantly impacted by the shortage of health human resources in the system. We heard from concerned nurses and midwives that they were finding it difficult to provide the optimal care they are used to providing due to shortages that were outside of their control.

BCCNM assured nurses and midwives the standard of care expected of nurses and midwives is always considered in context. We also worked within our regulatory mandate to be part of the solution, focusing our efforts to help increase the number of qualified nurses and midwives entering B.C.’s health-care system safely and efficiently. We paid particular attention to streamlining the registration process for internationally educated nurses, so they can enter the workforce more quickly in a role best suited to their current skills and abilities. It’s a complex process, but we remain committed to this work.

Our regulatory practice consultants continued to provide support to nurses and midwives in identifying, understanding, and applying BCCNM’s Standards of Practice and other regulatory policies and considerations. Our regulatory learning team also consulted with registrants and other system partners to ensure BCCNM was providing clear, useful learning resources to further support registrants in their practice.

Engaging with registrants

The feedback we receive from registrants is an essential part of our policy development process. Standards are stronger and more relevant when nurses and midwives share their perspectives with us.

We reached out to nurses and midwives to request their feedback through a variety of consultations last year. As a result of these efforts, the board approved new limits and conditions for RN certified practice; approved a new standard for midwives, *Medications and Substances: Standards, Limits and Conditions*; revised scope of practice limits and conditions for nurses providing medical aesthetic services; as well as revised standards for nurses relating to medical assistance in dying.

In addition, BCCNM’s communications team engaged with registrants in 2022 to develop greater insight into their needs and ensure our communication is effective, engaging, and aligned with their expectations. We surveyed more than 8,000 nurses and midwives to get their thoughts on BCCNM’s website, social media channels, and monthly registrant newsletters. We also hosted four focus groups for a deeper discussion on communications. The findings showed us what’s working, as well as areas for improvement. In 2023, we will start to act on some key recommendations.

Ensuring safe practice

When the COVID-19 pandemic began, the world transitioned to an online environment. Nurses and midwives provided more virtual care to patients and clients than ever before. We clarified that nurses and midwives registered or licensed in other jurisdictions must be registered with BCCNM to practise as a nurse or midwife in B.C., whether providing services in-person or virtually.

As part of our mandate to protect the public, BCCNM maintains a quality assurance (QA) program. The purpose of the QA program is to promote high practice standards as part of ensuring clients continually receive competent and ethical care, and to support nurses and midwives to engage in annual professional development.

Nurses are autonomous professionals, with broad scope and significant professional responsibility. This means they must be lifelong learners, who continually assess and improve their practice. In 2022, we added two new questions relating to cultural safety and humility for nurses to consider when they complete their self-assessment.

We also updated the type of practice hours that nurse practitioners can count to include at least 300 direct clinical practice hours. This change enables an NP practising in administration, education, and research to count their work toward their practice hours requirement.

For midwives, the QA program assures and improves the quality of clinical and professional midwifery practice. Its underpinning philosophy is that midwives are accountable and responsible for sustaining and enhancing their own knowledge, skills, judgement, and competencies over a lifetime of practice. In 2022, we put in a new requirement that midwives complete an annual self-assessment questionnaire as part of registration renewal. The questionnaire is based on the standards of practice and *Code of ethics* and is an opportunity for midwives to complete a thorough assessment of their practice.

Meeting QA requirements is an important way to maintain the public's trust in nurses and midwives. By participating in BCCNM's QA program throughout the year, nurses and midwives demonstrate they take their professional development obligation seriously and are committed to maintaining their competence to practise.



British Columbia Public Advisory Network

Engaging with the public

The BC Public Advisory Network (BC-PAN) brings together a diverse group of members of the public from across the province who share an interest in health care and the professionals who deliver that care. BC-PAN is sponsored by 10 health profession regulatory colleges, including BCCNM.

We're proud to continue to support BC-PAN's work to engage with the public to explore their perspectives on health-care regulation in the province.

Last year, the BC-PAN group met three times: twice via videoconferencing and once in person in Vancouver. The insightful and thoughtful discussions included the following subjects:

- supporting the public outside the complaints process
- health-care providers selling products
- enhancing communication and informed consent
- dual relationships (health professionals treating family members, close friends, commercial relationships, or others with whom they have a non-professional relationship)

We look forward to learning more from our public advisors. Members of the public who are interested in joining the BC-PAN group are encouraged to visit the BC-PAN website (<https://bcpan.ca>) to learn more.



Regulation by the numbers

13,235

Initial applications received

60,119

Nurses renewed

410

Midwives renewed

2,753

Practice consultations

33

NP peer reviews

6,449

RNs/NPs receiving feedback through MSF (multi-source feedback)

30,699

Colleagues who provided feedback (MSF)

1,686

Controlled prescription program pads dispensed

762

Case files opened

385

Investigations initiated

345

Investigations completed

Education program review

BCCNM reviews and recognizes B.C. nursing and midwifery education programs and courses required for initial registration as an LPN, RN, NP, RPN or midwife. The college also reviews and recognizes re-entry to practice programs. After students graduate from a recognized B.C. nursing or midwifery education program, they can apply for BCCNM registration.


In 2022, there were **101** recognized entry-level programs: **50** practical nursing (LPN); **30** baccalaureate nursing (RN); **4** psychiatric nursing (RPN); **4** nurse practitioner (NP); and **6** midwifery programs. We recognized seven new entry-level programs, approved three certified practice courses, and conducted **26** reviews of established programs. We also considered requests for seat expansion from **16** nursing and midwifery programs, which resulted in **410** more seats.

Registrant snapshot

 Licensed practical nurse	2021	2022
PRACTISING	14,364	14,431
PROVISIONAL	179	294
NON-PRACTISING	360	438
TEMPORARY EMERGENCY	350	884

 Nurse practitioner	2021	2022
PRACTISING	788	902
PROVISIONAL	11	25
NON-PRACTISING	26	23
TEMPORARY EMERGENCY	Less than 10*	Less than 10

 Registered nurse	2021	2022
PRACTISING**	41,292	41,737
CERTIFIED PRACTICE***	1,330	1,395
PROVISIONAL	482	411
NON-PRACTISING**	1,293	1,361
EMPLOYED STUDENT NURSE	1,072	1,101
TEMPORARY EMERGENCY	1,252	2,559

 Registered psychiatric nurse	2021	2021
PRACTISING	3,202	3,276
PROVISIONAL	79	83
NON-PRACTISING	96	110
EMPLOYED STUDENT PSYCHIATRIC NURSE	39	30
TEMPORARY EMERGENCY	18	29

 Midwife	2021	2022
PRACTISING	339	354
PROVISIONAL	Less than 10	0
NON-PRACTISING	101	96
STUDENT MIDWIFE	78	80
TEMPORARY EMERGENCY	-	Less than 10

Total****	66,758	69,626
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* BCCNM does not provide aggregate data for numbers less than 10. This is to ensure that we minimize any chance of individuals being identified where there is a small population.

** LGNs (Licensed graduate nurses) and non-practising LGNs are included in practising RNs and non-practising RNs, respectively.

*** RN-certified practice must have RN practising status.

**** Totals do not include registrants who have limits and conditions placed on their practice or have suspended registration.

2022 BCCNM board members

The BCCNM board governs the college. The board is an oversight and decision-making body that ensures the college has the resources, leadership, and strategy to meet BCCNM's mandate to protect the public. The composition of the board is five registrant members (one from each designation) and five public members.

In 2022, we conducted a board election in accordance with the Health Professions Act and the college bylaws for two seats—the registered nurse board position and the midwife board position. Rose Melynk was the successful candidate for the registered nurse board position. Tanya Momtazian was the acclaimed candidate for the midwife board position. Their three-year terms began Jan. 1, 2023. Congratulations to Rose and Tanya!

2022 board members



Leisa Belanger, CPA, CGA
Public board member



Ruth Ringland, MN, NP(F)
Registrant board member



Robert Calnan, RN, BScN, M.Ed
Registrant board member



Yvonne Savard, RPN, RN, BScN, MAED/CI
Chair and registrant board member



Pinder Cheema, QC
Vice Chair and
public board member



Madelon Stevens, Non-practising LPN
Registrant board member



Janene Erickson, MPH
Nak'azdli Whut'en
Public board member

Sangeeta Subramanian, BA, MBA
Public board member
**photo unavailable*



Tanya Momtazian, RM, BSc, BMW, MPH
Registrant board member



Richard Turner, B.Ed (Secondary)
Public board member

Fees & expenses

Practising registration fees

The following practising registration fees were payable for the period of April 1, 2022–March 31, 2023 for LPNs, NPs, RNs, RPNs, and midwives.

2022-23 Fees	
DESIGNATION	REGISTRATION FEE
Licensed practical nurse	\$521.95
Registered nurse	
Registered psychiatric nurse	
Midwife	\$751.90
Nurse practitioner	

Where registrant fees went in 2022 vs. 2021 (in the 000s)

Expenses	2021	2022
Corporate Services**	\$11,887	\$12,407
Registration & Quality Assurance	\$5,920	\$6,935
Inquiry, Discipline, & Monitoring	\$5,229	\$6,123
Facilities***	\$5,055	\$5,018
Executive Office, Strategy, Governance, & Reconciliation	\$2,743	\$2,910
Policy, Practice, & Regulatory Learning	\$3,016	\$3,097
Nursing Community Assessment Service (NCAS)****	\$1,786	\$2,003
Education Program Review and Entry-level Competencies	\$1,444	\$1,260
Business Transformation	\$221	\$929
Registrant Professional Liability Protection/Insurance*	\$277	\$563
Nurse Health Program	–	\$781
Subtotal	\$37,578	\$42,026
Less: Temporary emergency registrant grant*	(300)	(438)
Less: Shared services recoveries**	(428)	(444)
Less: Lease recoveries***	(781)	(755)
Less: NCAS grants and related assessment fees****	(1,362)	(1,766)
Total Expenses Net of Recoveries	\$34,707	\$38,623

*TER grant received was to offset TER administration and professional liability protection insurance costs.

**Shared services recoveries were used to offset or lower corporate services expenses

*** Lease recoveries were to offset total facilities expenses.

****NCAS grants received were to offset total NCAS expenses.

Salary Expenses	2021	2022
Corporate Services	\$7,018	\$6,935
Inquiry, Discipline, & Monitoring	\$4,097	\$4,436
Registration & Quality Assurance	\$4,209	\$4,971
Policy & Practice	\$2,790	\$2,818
Executive Office, Strategy, & Governance	\$1,906	\$1,807
Nursing Community Assessment Service (NCAS)	\$970	\$1,166
Education Program Review and Entry-level Competencies	\$961	\$884
Facilities	\$907	\$913
Business Transformation	–	\$93
Total Salary Expenses*	\$22,858	\$24,023

*Excluded contractor costs and recoveries from shared services or government grants.



Expense highlights

While college expenses came in below estimated budget in 2022, spending increased compared with 2021. The most significant investments or allocation of additional resources were as follows:

- **Development of an internationally educated nurse (IEN) pathway pilot** to address the barriers that IENs experience in their efforts to become registered in B.C.
- **Extension of temporary emergency registration (TER)** to assist with emergency health care response in B.C. Funding from the Government of British Columbia partially offset the cost of administering this class of registration.
- **Execution of Provincial Health Officer (PHO) orders.** BCCNM began recording the COVID-19 vaccination status of all registrants; the college also granted RNs and RPNs authority to diagnose and treat a substance use condition or substance use disorder in response to the opioid overdose crisis.
- **Funding the Nurse Health Program** to support nurses to practise or return to safe nursing practice.
- **Inquiry, Discipline, & Monitoring (IDM) costs** to address complaints and conduct investigations and hearings have increased.
- **Implementing cultural safety and humility action plan**, including: continued education and training for BCCNM board, committee, and staff members; an external review of our complaints process with a cultural safety and humility lens; and the implementation of the *Indigenous Cultural Safety, Cultural Humility, and Anti-racism* practice standard and supporting tools and resources for registrants.
- **Prioritization of information system stabilization projects** to address a backlog of deferred information system maintenance tasks, system updates, and minor improvements. In addition, more resources were invested to improve information system security in response to the increased risk and incidents of cybercrimes.
- **Launch of Business Transformation**, a multi-year investment in regulatory and corporate functions to realize the benefits of the college amalgamations and achieve the goals outlined in BCCNM's strategic plan.



About the artist: Bert Azak

As a young boy growing up in Port Edward, Bert was introduced to First Nations art through an elementary school art program, where he learned to draw shapes and how to put those shapes together to create spirit animals. These animal shapes were the cultural identity of his Nisga'a heritage. Bert credits his father and father-in-law, both artists and carvers, with inspiring his own work.

As a teenager, Bert moved to Gitwinksihlkw, his father's original home community in the Nisga'a Territory, Nass Valley in northern B.C. His mother was originally from Gitlaxdamix, so he considers both Gitwinksihlkw and Gitlaxdamix to be his home, and in a much broader perspective, considers the whole Nisga'a Territory as home.

Bert's art took a back seat when he married and started a family. He became involved in local government, working for the First Nations Government Nisga'a Tribal Council (now Nisga'a Lisims Government). He later entered politics as a candidate.

Bert and his family moved to Vancouver in 2000, where he began a new career with Correctional Service Canada, serving in a number of different positions within the prison system for over two decades. In January 2022, he joined Native Education College as Coordinator for the Indigenous Justice Studies Program.

Visit Bert's web page at: <https://bertazak.github.io/portfolio>

Glossary

Principles of Right-Touch Regulation²

Term	Definition
Equity	Equity recognizes that each person has different circumstances and needs different resources and opportunities to reach an equal outcome.
Evidence	The available body of facts or information indicating whether a belief or proposition is true or valid. Note: Indigenous culture-based approaches or ways of being are considered evidence.
Just (as in Just Culture)	Being fair and reasonable with a focus on identifying system factors that contribute to errors so that changes can be made to improve safety.
Philosophy	A system of principles for guidance in practical affairs.
Principle	A fundamental truth or proposition that serves as the foundation for a system of belief or behaviour.
Proportionate	Regulators should only intervene when necessary. Remedies should be appropriate to the risks posed, and costs identified and minimized.
Consistent	Rules and standards must be joined up and be implemented fairly.
Targeted	Regulation should be focused on the problem and minimize side effects.
Transparent	Regulators should be open and keep regulations simple and user-friendly.
Accountable	Regulators must be able to justify decisions and be subject to public scrutiny.
Agile	Regulators must look forward and be able to adapt and anticipate change.



² Professional Standards Authority. [Right-touch regulation](#). October 2015.



2022 Financial statements

Financial Statements of

**BRITISH COLUMBIA COLLEGE OF
NURSES AND MIDWIVES**

And Independent Auditor's Report thereon

Year ended December 31, 2022



KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To the Board of the British Columbia College of Nurses and Midwives

Opinion

We have audited the financial statements of British Columbia College of Nurses and Midwives ("BCCNM"), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BCCNM as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 auditor's report.

We are independent of BCCNM 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.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the BCCNM 2022 Annual Report.



Our opinion on the financial statements does not cover the other information and we do not 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 and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the BCCNM 2022 Annual Report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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 BCCNM'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 BCCNM or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing BCCNM'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 the 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 BCCNM'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 BCCNM'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 BCCNM 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
April 27, 2023

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,643,877	\$ 10,360,391
Short-term investments (note 3)	367,141	649,754
Accounts receivable	143,168	864,800
Current portion of prepaid expenses	1,113,222	955,405
	<u>10,267,408</u>	<u>12,830,350</u>
Investments (note 3)	16,414,406	16,518,292
Prepaid expenses	350,964	350,964
Tangible capital assets (note 4)	7,854,229	8,639,795
Intangible assets (note 5)	15,632	192,947
	<u>\$ 34,902,639</u>	<u>\$ 38,532,348</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 3,037,808	\$ 2,723,192
Accrued employment benefits (note 6)	560,911	721,125
Deferred revenue and deposits	14,918,381	14,290,124
Deferred government grants (note 7)	1,235,233	1,508,270
Current portion of capital lease obligations (note 8)	36,435	32,210
Current portion of deferred lease inducements (note 9)	204,842	204,842
	<u>19,993,610</u>	<u>19,479,763</u>
Capital lease obligations (note 8)	3,080	39,164
Deferred lease inducements (note 9)	2,906,808	3,003,912
	<u>22,903,498</u>	<u>22,522,839</u>
Net assets:		
Investment in tangible capital assets and intangible assets (note 10)	4,718,696	5,552,614
Unrestricted	7,280,445	10,456,895
	<u>11,999,141</u>	<u>16,009,509</u>
Contingent liabilities (note 14)		
Commitments (note 15)		
	<u>\$ 34,902,639</u>	<u>\$ 38,532,348</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

Chair, Board

Chair, Finance and Audit Committee

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Registration	\$ 33,165,950	\$ 31,593,796
Credentials processing	1,827,680	1,653,215
Examinations	374,385	597,736
Investment gain (loss) (note 3)	(862,709)	2,298,107
Nursing Community Assessment Service grants and assessment fees (note 7(a))	1,765,649	1,362,312
Lease	754,925	780,609
Cost sharing arrangements	444,026	427,545
Temporary registration grant and other	544,991	381,671
	<u>38,014,897</u>	<u>39,094,991</u>
Expenses:		
Amortization of tangible capital assets and intangible assets	1,008,900	1,144,572
Communications and people	2,810,663	2,826,358
Executive office	1,622,812	1,527,656
Nursing Community Assessment Service program (note 7(a))	2,002,627	1,786,011
Operations	13,605,056	12,970,666
Regulatory policy and programs	17,415,192	15,608,325
Strategy, governance and reconciliation	1,287,202	1,215,645
	<u>39,752,452</u>	<u>37,079,233</u>
Excess (deficiency) of revenue over expenses before the undernoted	(1,737,555)	2,015,758
Other expenses:		
Business transformation (note 11)	928,704	220,523
Registrant insurance and professional liability protection	563,010	276,821
Nurse health program	781,099	-
Total other expenses	<u>2,272,813</u>	<u>497,344</u>
Excess (deficiency) of revenue over expenses	<u>\$ (4,010,368)</u>	<u>\$ 1,518,414</u>

See accompanying notes to financial statements.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

	Investment in tangible capital assets and intangible assets (note 10)	Unrestricted	Total
Balance, December 31, 2020	\$ 6,582,443	\$ 7,908,652	\$ 14,491,095
Excess (deficiency) of revenue over expenses	(930,987)	2,449,401	1,518,414
Net change in investment in tangible capital assets and intangible assets	(98,842)	98,842	-
Balance, December 31, 2021	5,552,614	10,456,895	16,009,509
Excess (deficiency) of revenue over expenses	(804,058)	(3,206,310)	(4,010,368)
Net change in investment in tangible capital assets and intangible assets	(29,860)	29,860	-
Balance, December 31, 2022	\$ 4,718,696	\$ 7,280,445	\$ 11,999,141

See accompanying notes to financial statements.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating:		
Excess (deficiency) of revenue over expenses	\$ (4,010,368)	\$ 1,518,414
Items not involving cash:		
Unrealized investment (gains) losses	4,325,360	(1,448,146)
Amortization of tangible capital assets	831,585	933,611
Amortization of intangible assets	177,315	210,961
Lease inducements - step rent	107,738	144,651
Amortization of deferred lease inducements - leasehold improvements	(204,842)	(213,585)
	1,226,788	1,145,906
Changes in non-cash operating working capital:		
Accounts receivable	721,632	(516,955)
Prepaid expenses	(157,817)	(162,985)
Accounts payable and accrued liabilities	314,616	939,166
Accrued employment benefits	(160,214)	(43,374)
Deferred revenue and deposits	628,257	3,453,892
Deferred government grants	(273,037)	1,418,270
	2,300,225	6,233,920
Investing:		
Net disposal (purchase) of investments	(3,938,861)	(2,824,259)
Purchase of tangible capital assets	(46,019)	(17,293)
	(3,984,880)	(2,841,552)
Financing:		
Capital lease principal repayments	(31,859)	(28,516)
Increase (decrease) in cash and cash equivalents	(1,716,514)	3,363,852
Cash and cash equivalents, beginning of year	10,360,391	6,996,539
Cash and cash equivalents, end of year	\$ 8,643,877	\$ 10,360,391

See accompanying notes to financial statements.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements

Year ended December 31, 2022

1. Nature of operations:

British Columbia College of Nurses and Midwives (“BCCNM”) is designated as the regulatory body for nurses and midwives in British Columbia under the Health Professions Act of British Columbia (“HPA”). It is a not-for-profit corporation and, as such, is exempt from income tax.

BCCNM’s legal obligation is to protect the public through the regulation of licensed practical nurses, nurse practitioners, registered nurses, registered psychiatric nurses and registered midwives. This includes setting the standards for entrance into the profession, and for practice and ethics, as well as assessing nursing and midwifery education programs and addressing complaints about BCCNM registrants. As of December 31, 2022, BCCNM had approximately 70,000 registrants.

The BCCNM Board (the “Board”) is the governing body for BCCNM and consists of 10 members. The composition and powers of the Board and the duties of its members are stated in the HPA and in the BCCNM bylaws.

2. Significant accounting policies:

(a) Basis of accounting:

These financial statements have been prepared by management in accordance with Canadian accounting standards for non-for-profit organizations as recommended by the Chartered Professional Accountants of Canada.

(b) Net assets:

Net assets are comprised of the following:

(i) Unrestricted net assets:

The unrestricted net assets include the revenue and expenses related to BCCNM’s operations.

(ii) Investment in tangible capital assets and intangible assets:

Investment in tangible capital assets and intangible assets is the net book value of BCCNM’s tangible capital assets and intangible assets less the related capital lease obligations and the deferred lease inducements related to leasehold improvements and step rent.

(c) Revenue recognition:

Revenue is recognized as it is earned as follows:

(i) Registration fees are recognized as revenue in the period that corresponds to the registration year to which they relate. Registration fees collected for a future registration year are recorded as deferred revenue.

(ii) Credentials processing fees are recognized as revenue in the year the completed application is submitted for review.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

2. Significant accounting policies (continued):

(c) Revenue recognition (continued):

- (iii) Examination fees received are deferred and recognized as revenue in the year the applicant completes the exam.
- (iv) The Nursing Community Assessment Service grants are externally restricted to cover the deficiency of program assessment fees collected over the program expenses. The grant is recognized as revenue when a program deficiency occurs.
- (v) Lease revenue is recognized over the term of the lease.
- (vi) Cost recoveries are recognized as revenue when the services are provided by BCCNM under the various cost sharing arrangements.
- (vii) All other revenue is recognized when the services are provided or when the goods are delivered if the amount to be received can be reasonably estimated and collection is reasonably assured.

(d) Cash and cash equivalents:

Cash and cash equivalents include cash held in banks and high interest savings accounts which are redeemable at any time for a known amount of cash and are subject to an insignificant risk of changes in value.

(e) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Repairs and maintenance costs are recorded as expenses. Betterments which extend the life of an asset are capitalized. When tangible capital assets no longer fully or partially contribute to BCCNM's ability to provide services, the excess of its carrying amount over its fair value or replacement cost is recognized as an expense in the statement of operations.

Amortization is computed on a straight-line basis over the estimated useful life of the assets as follows:

Asset	Rate
Office furniture	15 years
Equipment	3 - 15 years
Leased equipment	Lesser of lease term and useful life
Leasehold improvements	Lesser of lease term and useful life

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

2. Significant accounting policies (continued):

(f) Intangible assets:

Intangible assets represent internally customized software and other purchased software. Intangible assets are recorded at cost less accumulated amortization. Direct costs attributable to customizations or modifications of software are capitalized after the technological feasibility has been established. When an intangible asset no longer fully or partially has any long-term service potential to BCCNM, the excess of its carrying amount over its fair value or replacement cost will be recognized as an expense in the statement of operations. Amortization commences when the software is brought into service. Amortization is computed on a straight-line basis over the 2 to 5 years estimated useful lives of the assets.

(g) Employment benefits:

BCCNM accrues all earned but unpaid cash entitlements for severance pay, sick leave, vacation pay and other employment related benefits. Such benefits do not accumulate over the long term.

BCCNM is a participating employer of the Municipal Pension Plan, a jointly trustee pension plan. The pension plan is a multiemployer plan and as a result, required contributions are expensed as incurred. The plan records accrued liabilities and accrued assets for the plan in the aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and costs to individual employers participating in the plan.

(h) Leases:

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair value at the beginning of the lease. Assets related to a capital lease are amortized over the assets' useful lives.

All other leases are recorded as operating leases with lease payments expensed as incurred.

Deferred lease inducements include financial inducements for tenant improvements to the office spaces, as well as providing free-rent periods and staggered lease payment increases. Amortization of deferred lease inducements is recognized over the initial term of the related lease net of the related lease expense.

(i) Allocation of salaries and benefits:

Salaries and benefits are allocated proportionately on the basis of time spent by each employee on the BCCNM's various program areas.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

2. Significant accounting policies (continued):

(j) Financial instruments:

Financial instruments include cash and cash equivalents, investments, accounts receivable and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. BCCNM has elected to carry its investments, which include corporate bonds and notes, pooled fixed income funds and pooled equities funds, at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, BCCNM determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount BCCNM expects to realize by exercising its right to any collateral. If events or circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the carrying value.

(k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the 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 year. Actual results could differ from management's best estimates as additional information becomes available in the future.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

3. Investments:

In 2022, the Board appointed a new investment manager and revised BCCNM's investment policy, which resulted in a change in the investment portfolio mix and a disposition of investments. The proceeds from the dispositions were re-invested.

	2022	2021
Government bonds	\$ -	\$ 2,358,619
Corporate bonds and notes (a)	1,097,511	1,860,320
Pooled fixed income funds	4,601,295	1,008,475
Equities	-	11,940,632
Pooled equity funds	11,082,741	-
	16,781,547	17,168,046
Less short-term investments	367,141	649,754
Long-term investments	\$ 16,414,406	\$ 16,518,292

(a) Corporate bonds and notes bear interest ranging from 1.50% to 2.61% (2021 - 1.37% to 4.43%) with maturities ranging from June 2023 to April 2025 (2021 - June 2022 to June 2034).

Investment income is comprised of the following:

	2022	2021
Interest and dividends	\$ 768,849	\$ 403,653
Realized gains on sale of investments	2,693,802	446,308
Unrealized gains (losses) from changes in fair value	(4,325,360)	1,448,146
	\$ (862,709)	\$ 2,298,107

4. Tangible capital assets:

	2022		2021	
	Cost	Accumulated amortization	Net book value	Net book value
Office furniture	\$ 1,670,272	\$ 482,547	\$ 1,187,725	\$ 1,299,076
Equipment	1,962,930	1,124,736	838,194	940,213
Leased equipment	158,205	118,052	40,153	68,917
Leasehold improvements	8,117,915	2,329,758	5,788,157	6,331,589
	\$ 11,909,322	\$ 4,055,093	\$ 7,854,229	\$ 8,639,795

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

5. Intangible assets:

	2022	2021
Cost	\$ 5,032,038	\$ 5,032,038
Accumulated amortization	(5,016,406)	(4,839,091)
	\$ 15,632	\$ 192,947

Intangible assets are comprised of an information technology system which is configured and customized for BCCNM's purpose as well as purchased software.

6. Government remittances:

Included in accounts payable and accrued liabilities and accrued employment benefits are government remittances of \$42,257 (2021 - \$169,798) related to payroll and indirect taxes.

7. Deferred government grants:

	2022	2021
Deferred government grants, beginning of year	\$ 1,508,270	\$ 90,000
Funding received	265,262	1,952,994
Grant revenue recognized (a)	(538,299)	(534,724)
Deferred government grants, end of year (b)	\$ 1,235,233	\$ 1,508,270

(a) In 2022, Nursing Community Assessment Service ("NCAS") had \$2,002,627 (2021 - \$1,786,011) of expenses, of which \$1,227,350 (2021 - \$827,588) was funded by assessment fees collected and \$538,299 (2021 - \$534,724) was funded by grants.

(b) At December 31, 2022, deferred government grants are comprised of:

- (i) \$1,136,408 (2021 - \$1,498,270) from the Ministry of Health of the Province of British Columbia and Government of New Brunswick for the development of a streamlined Triple Track NCAS and Integrated Referral Process;
- (ii) \$64,887 (2021 - nil) from College of Registered Nurses of Alberta and College of Registered Nurses of Newfoundland for the development of satellite assessment centres;
- (iii) \$31,929 (2021 - nil) from the Ministry of Municipal Affairs of the Province of British Columbia to enhance fairness and efficiency of the regulatory processes for assessing international credentials; and,
- (iv) \$2,009 (2021 - \$10,000) from the Registered Psychiatric Nurse regulator in Saskatchewan for onboarding of online assessments.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

8. Capital lease obligations:

BCCNM had entered into various lease agreements for office equipment, with payment obligations as follows:

2023	\$	39,245
2024		3,080
Total minimum lease payments		42,325
Less implied interest rate of 12.25%		2,810
Present value of minimum lease payments		39,515
Less current portion of capital lease obligations		36,435
Long-term portion of capital lease obligations	\$	3,080

9. Deferred lease inducements:

BCCNM has entered into a lease agreement for office space. As part of this lease agreement, the landlord provided financial inducements for tenant improvements to the office space, as well as free-rent periods and staggered lease payment increases.

	2022	2021
Deferred lease inducements, beginning of year	\$ 3,208,754	\$ 3,277,688
Lease inducements - step rent	107,738	144,651
Amortization of deferred lease inducements - leasehold improvements	(204,842)	(213,585)
Deferred lease inducements, end of year	3,111,650	3,208,754
Current portion	204,842	204,842
Long-term portion of deferred lease inducements	\$ 2,906,808	\$ 3,003,912

The unamortized balance will be amortized to income on a straight-line basis until the end of the lease.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

10. Investment in tangible capital assets and intangible assets:

(a) Investment in tangible capital assets and intangible assets is calculated as follows:

	2022	2021
Tangible capital assets	\$ 7,854,229	\$ 8,639,795
Intangible assets	15,632	192,947
Amounts financed by:		
Capital leases obligations	(39,515)	(71,374)
Deferred lease inducements	(3,111,650)	(3,208,754)
	\$ 4,718,696	\$ 5,552,614

(b) Change in net assets invested in tangible capital assets and intangible assets is calculated as follows:

	2022	2021
Deficiency of revenue over expenses:		
Amortization of tangible capital assets and intangible assets	\$ (1,008,900)	\$ (1,144,572)
Amortization of deferred lease inducement - leasehold improvements	204,842	213,585
	\$ (804,058)	\$ (930,987)
	2022	2021
Net change in investment in tangible capital assets and intangible assets:		
Purchase of tangible capital assets	\$ 46,019	\$ 17,293
Capital lease principal repayments	31,859	28,516
Lease inducements - step rent	(107,738)	(144,651)
	\$ (29,860)	\$ (98,842)

11. Business transformation:

BCCNM was formed through two successive amalgamations in 2018 and 2020 from four legacy colleges. BCCNM has embarked on a business transformation project that is a multi-year investment in regulatory and corporate functions to reflect the benefits of the amalgamations and to achieve the goals in BCCNM's strategic plan. In 2022, BCCNM incurred \$928,704 (2021 - \$220,523) of expenses related to its business transformation project.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

12. Municipal Pension Plan:

BCCNM and its employees contribute to the Municipal Pension Plan (the “Plan”), a jointly trustee pension plan. The Board of Trustees, representing the plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The actuary’s calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the Plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Plan as at December 31, 2021, indicated a \$3.8 billion funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

BCCNM paid \$1,656,233 (2021 - \$1,653,026) for employer contributions to the Plan in 2022.

13. Related party transactions:

Pursuant to the HPA, BCCNM's Board has the authority to set its own remuneration for its members' involvement in BCCNM. The Board has approved both direct compensation and employer salary replacement claim options for its members. The total payments for direct compensation and salary replacement claims for Board members was \$56,806 (2021 - \$31,165).

14. Contingent liabilities:

BCCNM receives notification of claims related to various matters arising in the ordinary course of its business. These matters are at a preliminary stage and their outcome and an estimate of loss, if any, is not determinable. BCCNM has no reason to expect that the ultimate conclusion of any of these matters will have a material adverse impact on its financial position, results of operations or its ability to carry on its business activities.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

15. Commitments:

BCCNM's total obligations under operating leases for its office space, exclusive of property taxes and other occupancy charges are as follows:

2023	\$	1,710,442
2024		1,747,356
2025		1,784,271
2026		1,821,185
2027		1,858,099
Thereafter to 2033		10,357,184
	\$	19,278,537

16. Financial instrument risks:

BCCNM's activities result in exposure to a variety of financial risks including risks related to credit and market, foreign exchange, interest rate and liquidity.

(a) Credit risk and market risk:

Credit risk is the risk of loss due to the failure of a debtors and tenants to meet their contractual obligations. BCCNM is exposed to credit risk with respect to the cash and cash equivalents, investments and accounts receivable. Market risk is the risk that the fair value or future cash flows of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market.

BCCNM limits its exposure to credit risk by placing its funds in high quality investments in accordance with investment policies adopted by the Board. The fixed income investments, including pooled funds, are diversified and consist of Government of Canada, provincial and corporate issues. Maturity dates range with an overall target duration of 4.75 to 5.25 years. The composite risk rating of the fixed income portfolio is AA. Risk and volatility of investment returns are mitigated through the diversification of investments in different geographic regions and different investment vehicles. The classifications and terms of investments are disclosed in note 3.

Balances in accounts receivable are generally for shared services with other similar regulatory bodies and are considered to have a low risk of collectability.

(b) 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. BCCNM limits its exposure to foreign exchange risk through its investment policy, which sets a maximum percentage of equity investments that can be held in foreign currencies.

BRITISH COLUMBIA COLLEGE OF NURSES AND MIDWIVES

Notes to Financial Statements (continued)

Years ended December 31, 2022 and 2021

16. Financial instrument risks (continued):

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. BCCNM's primary exposure to interest rate risk is with its investments. BCCNM maintains a diversified investment portfolio to manage its interest rate exposure. The interest rates and terms of investments are disclosed in note 3.

(d) Liquidity risk:

Liquidity risk is the risk that BCCNM will not be able to meet its obligations as they fall due. BCCNM 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.

There has been no change to the risk exposures in 2022.

17. Comparative information:

Certain of the comparative prior year information has been changed to conform with the current year's presentation.