

Physician Recruitment Agency of Saskatchewan



Annual Report for 2016-17

Mission

Our mission is to promote and support a collaborative environment that attracts and retains the health care 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 health care 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 regional health authorities, 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

We put patients first by making Saskatchewan a preferred choice for a dynamic health care 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 pursuing careers in the province.

Values

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

- Collaboration means engaging physicians, health care 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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Electronic copies of this annual report are available at:

www.saskdocs.ca/current/reports/

Letters of Transmittal



Her Honour, the Honourable Vaughn Solomon Schofield,
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Physician
Recruitment Agency of Saskatchewan for the fiscal year
ending March 31, 2017.

A handwritten signature in blue ink, appearing to read "Jim Reiter".

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 fiscal year
ending March 31, 2017.

A handwritten signature in blue ink, appearing to read "Karen Lautsch".

Karen Lautsch
Assistant Deputy Minister of Health and Board Chair

A Message from the CEO



Over the past year staff at saskdocs and Health Careers in Saskatchewan worked with our partners to recruit and retain physicians and other health care professionals to

Saskatchewan. We've collaborated with practising physicians, clinics, and Regional Health Authorities to recruit these individuals and we continue to engage with community leaders throughout our province on retaining them.

Some of the more notable achievements this past year include a record number of physicians practising in our province; an improved retention rate for University of Saskatchewan trained Family Physicians; and, the recruitment of many health professionals who make up dynamic health care teams that deliver quality care to the people of Saskatchewan.

I am proud of what we have accomplished together with system partners in 2016-17. I look forward to the collaborative work and challenges that we'll face together in the months ahead.

A handwritten signature in black ink that reads "Erin Brady". The signature is written in a cursive, flowing style.

Erin Brady
Chief Executive Officer

Governance

The Agency is governed by a ten member Board of Directors appointed by the Government of Saskatchewan. The 2016-17 Board members were:

- 1) Chair, Karen Lautsch, Assistant Deputy Minister
Representing: Ministry of Health
- 2) Vice-Chair, David Fan, CEO, Prairie North Regional Health Authority
Representing: Regional Health Authorities
- 3) Mike Strachan, Mayor of Torquay
Representing: Saskatchewan Urban Municipalities Association (SUMA)
- 4) Alastair MacFadden, Assistant Deputy Minister
Representing: Ministry of the Economy
- 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, 1st Year Radiology Resident
Representing: Professional Association of Internes and Residents of Saskatchewan (PAIRS)
- 9) Taylor Davis, 2nd Year Medical Student
Representing: Student Medical Society of Saskatchewan (SMSS)
- 10) Dr. Lise Morin, Rural Family Physician
Representing: Saskatchewan Medical Association

Year in Review

This annual report outlines the work and accomplishments of the Physician Recruitment Agency of Saskatchewan (saskdocs) and Health Careers in Saskatchewan (hereafter referred to as “the Agency”) over the course of the 2016-17 fiscal year. The annual report demonstrates a commitment to effective public performance reporting, transparency and accountability to the public.

The progress and activities outlined in this report align with the Agency’s strategic plan prepared jointly by its Board and staff. The plan contained three broad strategic areas with actions and objectives to recruit and retain physicians and health care professionals.

The three strategic areas the Agency focused on in 2016-17 included efforts to:

1. **Develop** initiatives to encourage and support health care professionals and learners to pursue careers in rural Saskatchewan.
2. **Attract** health care professionals to Saskatchewan by promoting and marketing opportunities and communities throughout the province.
3. **Retain** health care professionals through collaborative solutions to stabilize the provincial health care workforce, minimize disruptions, reduce turnover and improve retention.

Recruitment efforts focused on engaging with people at professional development events for medical learners; career fairs in Saskatchewan, out-of-province and abroad; and events where staff met one-on-one with smaller groups and individuals. The Agency also recruited medical learners

training in Saskatoon and Distributed Medical Education (DME) sites and provincial job fairs and career days hosted by partner training institutions.

Internationally, we continued to maintain a strong Saskatchewan presence as part of a Western Canada partnership at select international career fairs.

In addition to event attendance, the Agency collaborated with many partners to let health care professionals and medical learners know about the opportunities available to them here in Saskatchewan. Some of these efforts included, but were not limited to:

- Ensuring health career opportunities across the province are posted on the saskdocs.ca and healthcareersinsask.ca websites;
- Maintaining operational efficiencies for health region partners;
- Serving as a central point of contact for individuals looking for work in Saskatchewan;
- Marketing hard-to-recruit professions to specific candidates and audiences through paid advertising and social media;
- Leading recruiter network meetings to share recruitment and retention best practices;
- Assisting the University of Saskatchewan’s (U of S) College of Medicine with the Saskatchewan International Physician Practice Assessment (SIPPA) program; a program to assess International Medical Graduates (IMGs) interested in practicing in this province;
- Administering the Physician Recruitment Agency of Saskatchewan’s Rural Externship Program (more

commonly referred to as PREP) in collaboration with our partners;

- Co-hosting the annual Resident Family Medicine career fair for the province;
- Coordinating the Rural Health Career Day to connect health care professionals and trainees with potential employers in rural Saskatchewan; and,
- Coordinating Nurse Practitioner (NP) luncheons to connect trainees with hiring managers to talk about potential opportunities after graduation.

Some of the more challenging positions to fill continue to be those in rural family medicine, nursing, medical laboratory technology and various positions associated with providing long-term care.

All of the work over the past year would not be possible without the assistance of our partners. Some organizations we work closely with include Regional Health Authorities (RHAs), Saskatchewan Polytechnic, the U of S, University of Regina (U of R), the SMSS, the PAIRS, SMA, Ministry of Health and Ministry of Advanced Education.

Progress in 2016- 17

#1 – Develop initiatives to encourage and support health care professionals and learners to pursue careers in rural Saskatchewan.

The Agency worked closely with professionals and learners to increase their awareness of labour market forecasts and current career opportunities; provide and support initiatives that expose learners to living and working in rural and regional communities; and, to support leadership development.

The Agency team members presented

labour market information including income potential, demographics, national job postings, post graduate exit survey data and typical working hours. This dialogue gave students and residents a chance to hear about medical practices throughout the province and the communities in which they are located. These seminars gave learners better insight into professional requirements, expectations, shift and call schedules.

Much of the information staff shared was taken from *A Planning Tool for Physician Resources in Saskatchewan*. The tool helps the Agency build and sustain the provincial physician workforce. The tool forecast the needs for family physicians and Royal College specialties in Saskatchewan and outlines options around the number and mix of specialists that would be optimal for our population and geographical distribution.

The Agency also worked closely with its partners to deliver the Physician Recruitment Agency of Saskatchewan's Rural Externship Program (PREP). PREP is a summer externship for U of S medical students between their second and third years of study allowing them to shadow a rural family physician. A positive early exposure to rural medicine is known to increase the likelihood of physicians choosing to practice in rural and regional communities. This past year, a total of 49 U of S medical students participated in PREP in 20 communities across 10 RHAs. Ninety-seven per cent of participants indicated that they were satisfied or very satisfied with their experience and 89 per cent indicated they would consider practicing in this community.

The Agency is a member of the SMA's Committee on Regional and Rural Practice

(CORRP). Each year, CORRP hosts a number of Rural Roadmap Tours for U of S medical students and residents. The tours expose learners to medical practices and communities in rural and regional Saskatchewan. This year, learners visited La Loche, Estevan, Meadow Lake and Swift Current.

Students and residents have highlighted the transition into clerkship, residency and practice as an opportunity for additional support. The Agency responded by partnering with the College of Medicine to provide career advising. We secured curriculum time with medical students to provide timely labour market information to help them select their medical specialty.

The Agency is working with its partners to develop future physician leaders. This year, the Agency's SMSS Board representative was sponsored to attend the Canadian Society of Physician Leaders (CSPL) to learn about health system innovation, coaching and negotiation while networking with physician leaders across the nation.

The province is committed to training family medicine residents through the DME model. The Agency partnered with the College of Medicine to promote DME sites in North Battleford and Moose Jaw to U of S medical students. Students heard directly from current residents about the opportunities and advantages of training at these locations. We know that residents training in distributed sites are more likely to establish a medical practice in a rural or regional community when compared to their peers training in tertiary centers.

Some U of S medical students pursue residencies at universities across Canada. Our staff members connected with these learners at more informal events while attending recruitment fairs in those same

cities.

Our team supported IMGs as they pursued the prerequisites for the SIPPA program. Staff supported and advised IMGs as they worked through meeting the practice and examination requirements.

For every eligible SIPPA candidate there are approximately six others that inquired, but do not have the required education or experience to qualify for the program.

It takes candidates an average of two and a half years to meet the requirements of the SIPPA program and be selected by a medical practice.

The Agency maintains a pool of pre-qualified SIPPA candidates for medical practices to consider when their vacancy cannot be filled by a Canadian-trained physician.

The Agency partnered with Saskatchewan Polytechnic to sponsor a number of career and industry events for students studying in the health disciplines. As part of this partnership, six \$1,250 scholarships were awarded to students enrolled in high demand health professions. The recipients must have demonstrated their intent to work in rural Saskatchewan upon completion of their program.

#2 - Attract health care professionals and physicians to Saskatchewan by promoting and marketing opportunities and communities throughout the province.

Our team worked with RHAs to determine the priorities, strategies and tactics that will best support the recruitment of health professionals to rural and regional communities.

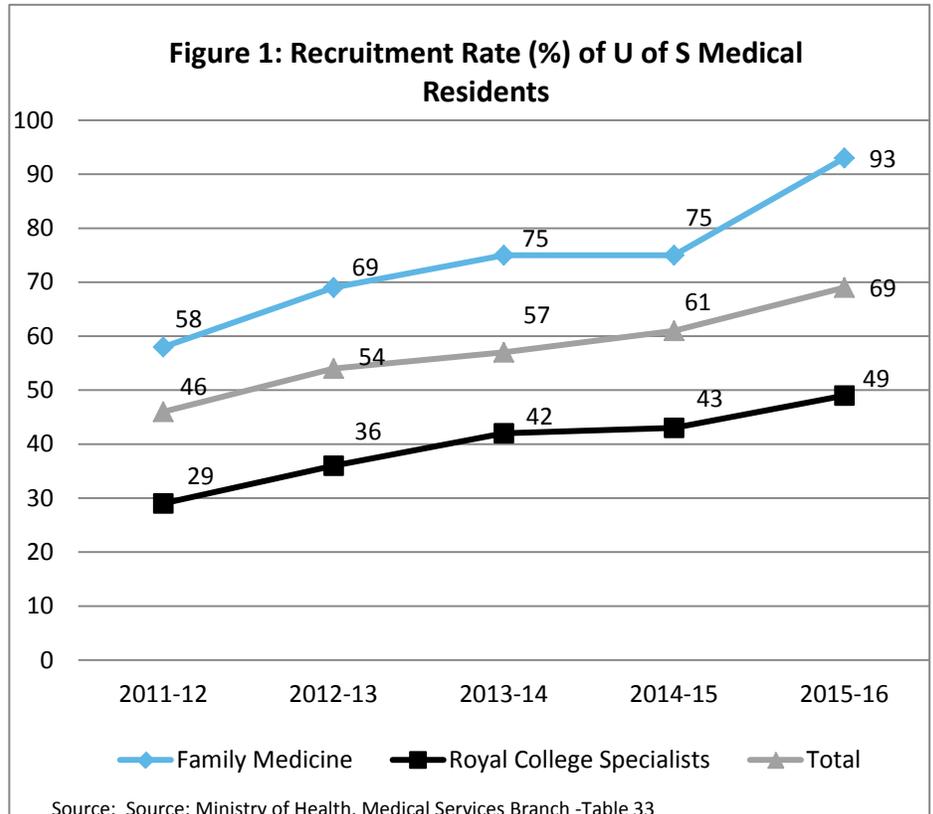
The highest need physician specialties was informed by the *Planning Tool for Physician*

Resources in Saskatchewan and included

- Anaesthesia
- Family Medicine
- General Internal Medicine
- Obstetrics and Gynecology
- Paediatrics
- Psychiatry

The recruitment rate of family medicine residents increased significantly over the past five years from 58 per cent (2011-12) to 93 per cent in 2015-16 (See Figure 1). Also, Saskatchewan Polytechnic’s Graduate Employment Survey indicates over 90 per cent of graduates in priority areas like medical laboratory technology, nursing, combined lab and x-ray technology (CLXT) and continuing care assistant (CCA) programs are recruited to Saskatchewan (See Figure 2*).

In 2016-17 the Agency worked with system partners to recruit approximately 126 physicians to our province. These physicians were recruited to fill new positions, retirements and resignations. A total of 79 of those physicians trained in Saskatchewan and 30 of them are now practicing in rural and remote communities. Since the Agency began operations, it has helped recruit hundreds of physicians to increase our overall physicians supply to 2, 375 as illustrated in Figure 3.*



**Figure 2: Saskatchewan Polytechnic Graduates Recruited to Saskatchewan
2014-15 Completers**

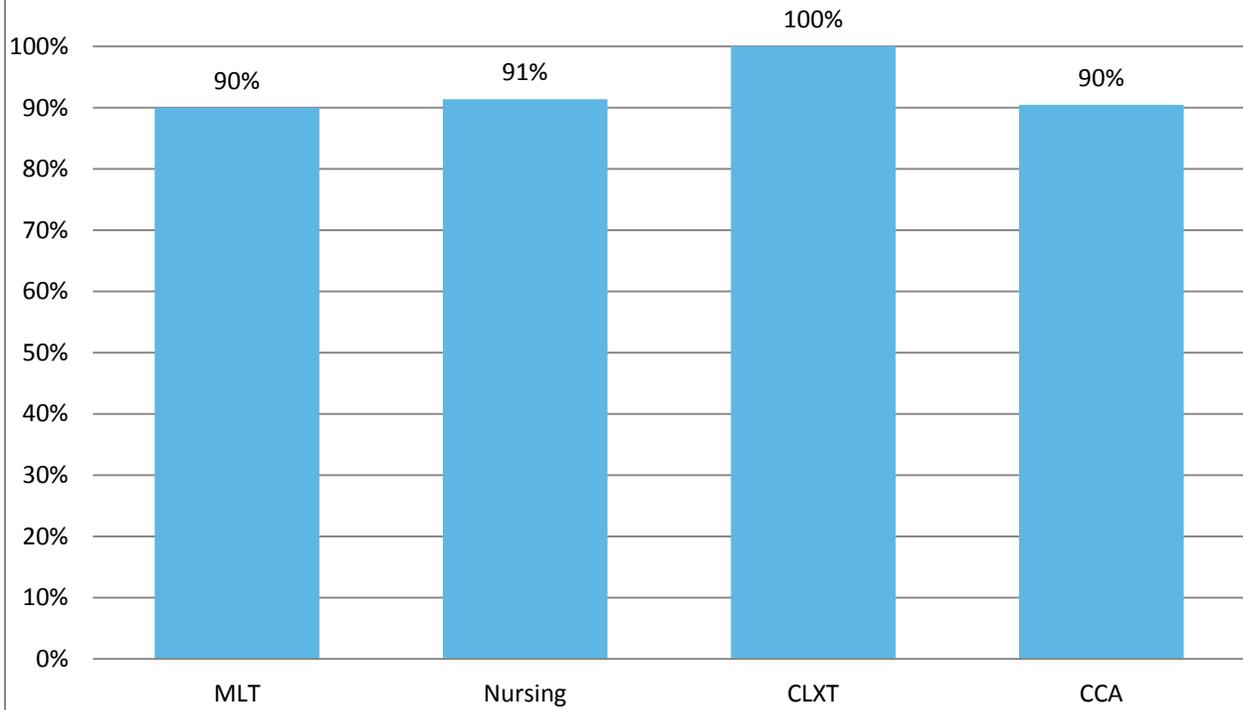
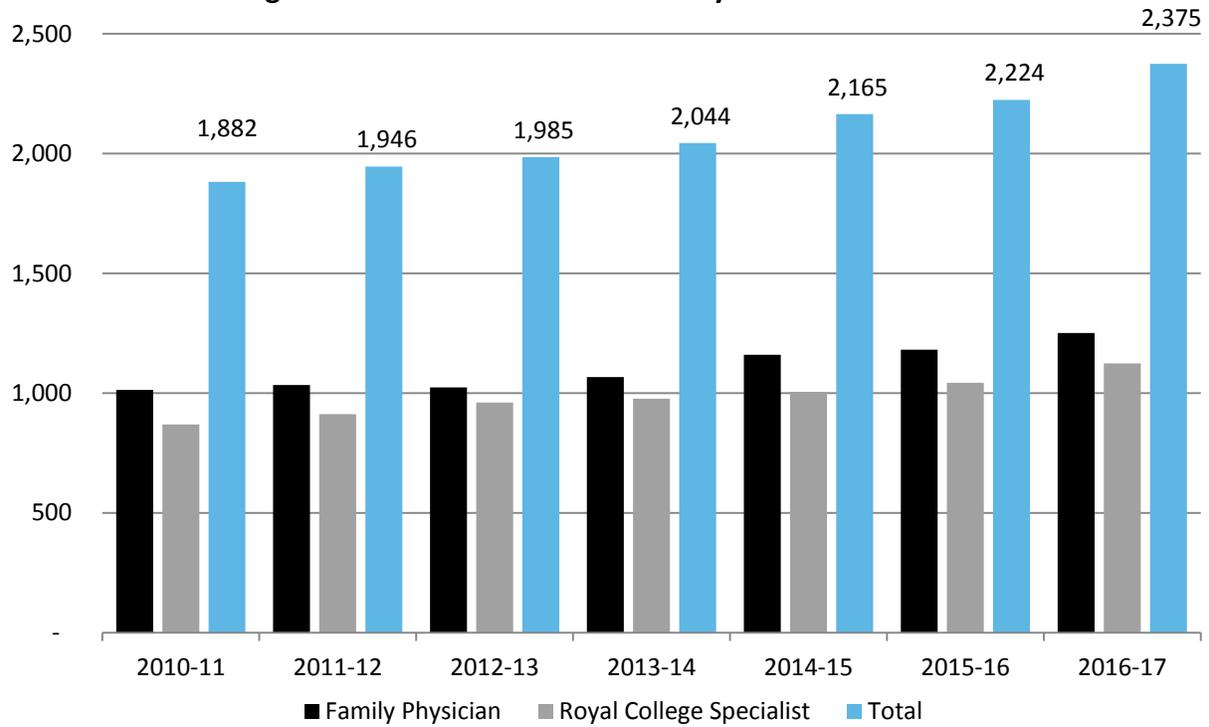


Figure 3: Saskatchewan Licensed Physicians 2010 - 2017



Source: Ministry of Health, Medical Services Branch

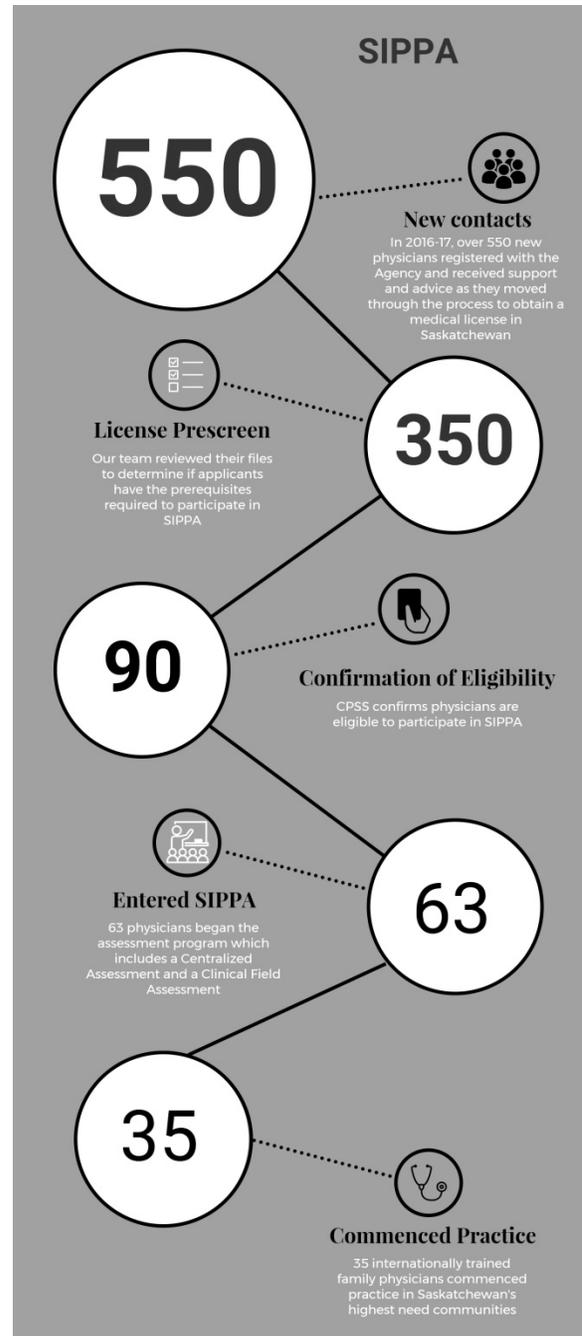
The Agency's first priority is to recruit locally trained (U of S) medical graduates to available opportunities. Staff accomplished this through marketing opportunities, sending automatic electronic notifications to recruits when a career is posted on our job board, attending events and connecting trainees with openings in hospitals, clinics and medical practises.

Agency staff and recruitment colleagues from participating health regions attended more than 100 career fairs and recruitment events in the province, across Canada and abroad during the 2016-17 fiscal year.

On the physician side, when the recruitment of local graduates doesn't fully meet the needs then we recruit IMGs. These physicians play an integral role in helping dynamic teams deliver health care services to the people of Saskatchewan, particularly those living in rural and remote communities. Internationally trained family physicians that come to Saskatchewan are often assessed through the Saskatchewan International Physician Practice Assessment (SIPPA) program.

Physicians interested in applying for SIPPA must first complete a Licensure Prescreen to confirm their medical degree and post graduate education meet the requirements of the program and that they have passed the prerequisite examinations. This past year over 550 new internationally trained family physicians contacted our office for advice and support on licensure, our team received and reviewed more than 350 licensure prescreen applications; 90 were confirmed for licensure eligibility; 63 of those candidates entered SIPPA and 35 of them are now practising medicine in Saskatchewan. Of these 35, 26 went to rural, five to regional and four to urban-bedroom communities. Since the SIPPA

program was established in 2011 it has assessed and allowed 263 more physicians to practice medicine in Saskatchewan.



To help support the physicians that have landed a career opportunity in our province the Agency administered two programs that support the recruitment of physicians and medical trainees to Saskatchewan.

The Rural Physician Incentive Program (RPIP) provided up to \$120,000 over five years to recent medical graduates who located to rural and remote communities. In 2016-17, \$805,000 was awarded to 41 family physicians.

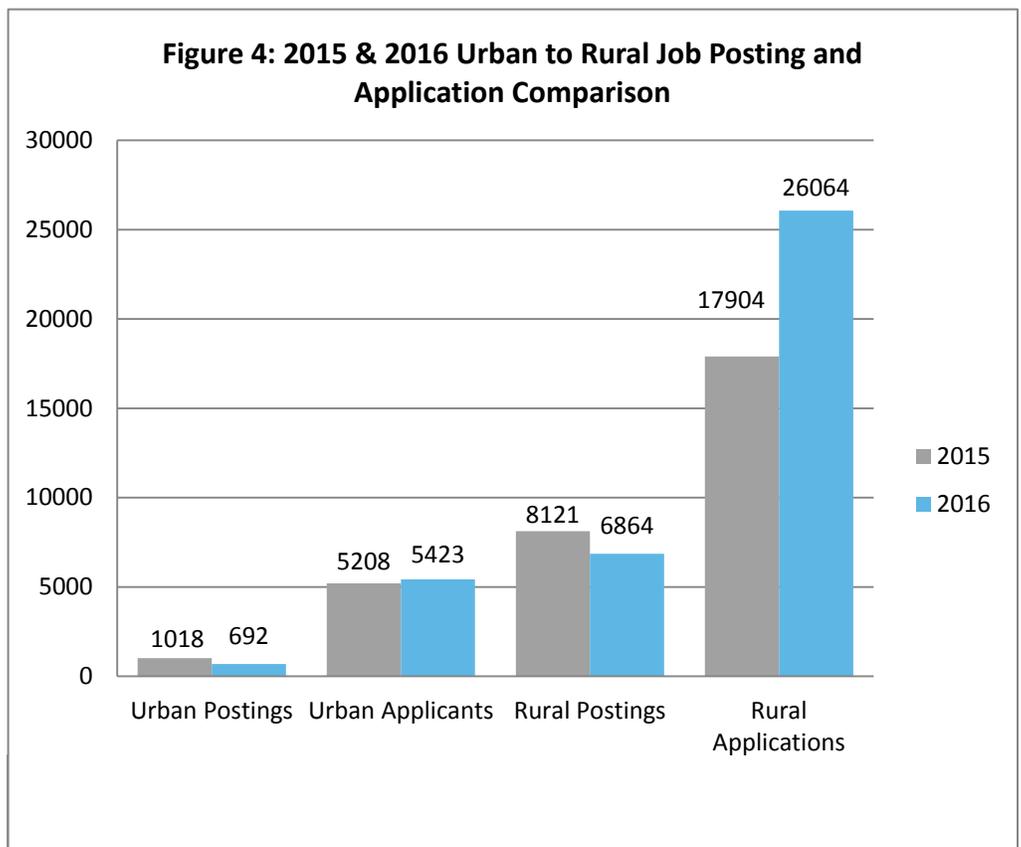
The Medical Student Loan Interest Relief Program provided interest relief to medical residents on their government student loans. Approximately 40 to 50 percent of residents typically qualify for this program. A total of 217 U of S medical residents received grants totaling more than \$439,000 during the 2016-17 fiscal year.

When Agency staff recruited all other health professionals it did so with a strategic focus on finding candidates to fill positions in rural or remote communities. One targeted effort in this area was the Agency hosting a Rural Health Career Day in Regina in November 2016. Those who attended this event learned more about what it would be like to live and work in rural and remote communities in Saskatchewan.

Also, Health Careers in Saskatchewan

maintains an online provincial portal where health professionals can create a profile, view available opportunities across Saskatchewan and apply for positions online. The profiles that are posted allow staff to automatically notify each applicant of job openings in specific areas of employment as they became available.

The Health Careers in Saskatchewan job board serves as the primary job board for five RHAs, which reduces the need for those employers to administer a separate system to promote vacancies and accept applications.



Our job posting and application data from 2015 to 2016 showed a decrease in the job postings in rural Saskatchewan and an increase in applications (See Figure 4).

#3 - Retain health care professionals through collaborative solutions to stabilize the provincial health care workforce, minimize disruptions, reduce turnover and improve retention.

The Agency's third strategic priority was to support the retention of the current health workforce. Our team worked to increase the awareness of the factors that impact retention of the workforce and promoted local and national best practices in retention.

One of the most effective methods for improving retention rates of health care professionals is finding the right fit during the recruitment process. Finding a qualified candidate who truly wants to live and work in a particular community or setting, and is comfortable in doing so, will have a positive impact on retention.

There is some encouraging news on the retention issue as data from the Government of Canada's Labour Force Survey shows that the average length of time an employee in Saskatchewan's health sector worked with a recent employer was 114 months. This is slightly higher than the Canadian average of 112 months and higher than employees in the broader labour force at 103 months (nationally) and 111 months in Saskatchewan¹ (See Figure 5)

Our Agency continues to work with our partners to improve the turnover of physicians, particularly those in rural and regional communities. Physician turnover remained relatively stable over the past few years (See Figure 6**).

In order to find out more about physician turnover and why a physician may have left

a community or region the Agency conducts exit surveys with physicians that leave the province. Survey data show that the primary reason physicians decide to relocate is to be closer to family. Secondary reasons include improved peer support and opportunities for advancement. We continually share this information with stakeholders to help improve overall retention efforts across our province.

Agency staff attended the Saskatchewan Urban Municipalities Association (SUMA) and Saskatchewan Association of Rural Municipalities (SARM) conventions in 2017. These conventions give staff a chance to speak with elected officials from across the province about retention of health care professionals. Staff also offered their support to delegates if communities require more information on best practises.

¹ Statistics Canada, Labour Force Survey, June 2017.

**Figure 5 - Job Tenure (Total Months) Comparison
Statistics Canada - 2017**

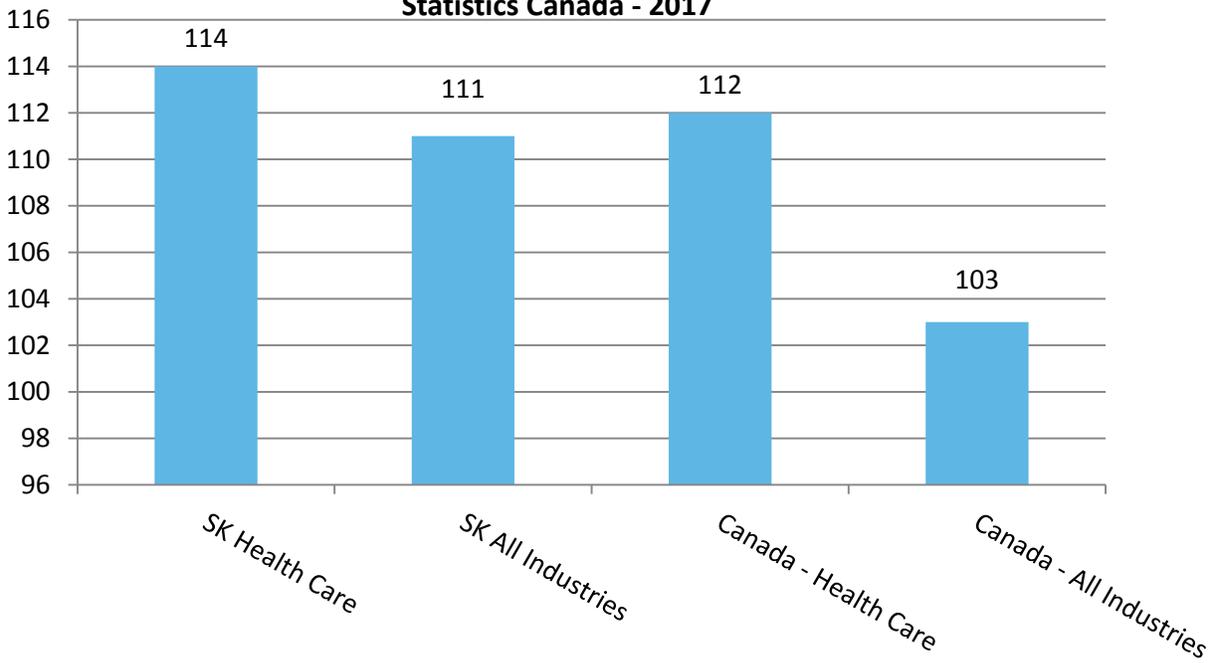
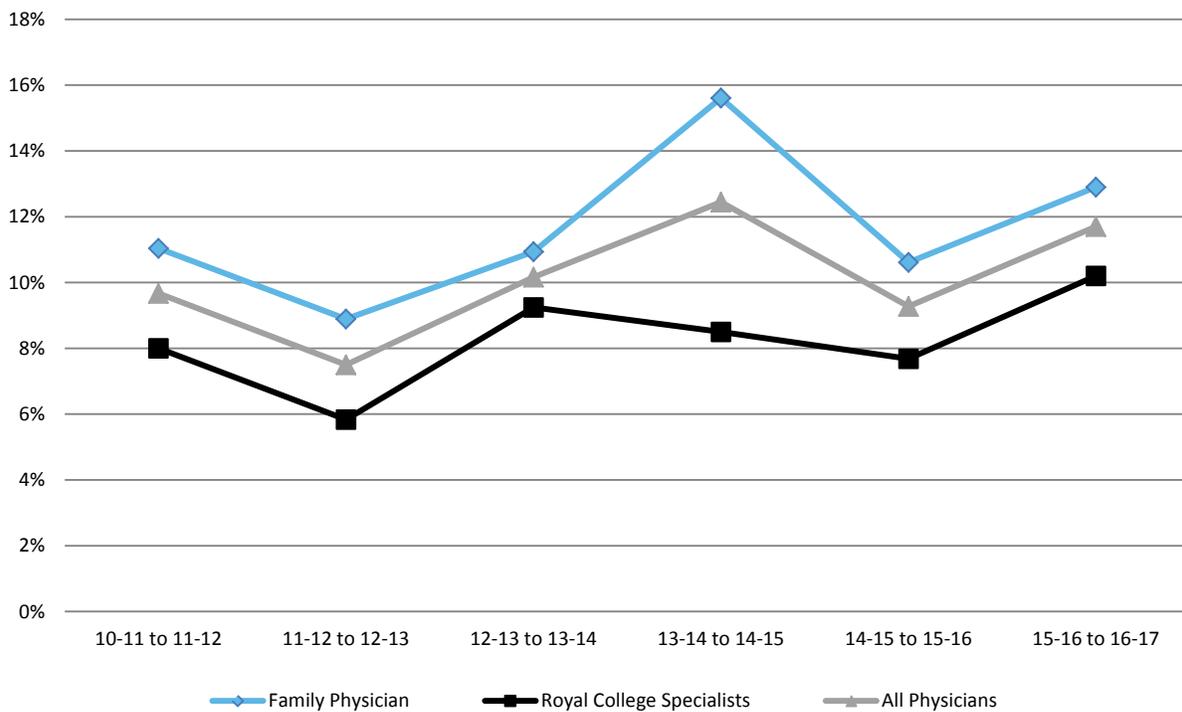


Figure 6: Turnover of Physicians



Source: Ministry of Health, Medical Services Branch

*Figure 1 - Source: Ministry of Health, Medical Services Branch

¹Physicians are shown in specialties or general practice in accordance with the listing of the College of Physicians and Surgeons of Saskatchewan at the end of the year.

²All licensed physicians includes all physicians on the Medical Care Insurance Physician Registry except those who we know for certain are retired. Educational locums, residents and interns are typically excluded. The possible exception would be physicians, mainly general practitioners, with their own billing number who are doing a residency in a different specialty and practising part-time after hours.

**Figure 3 - Turnover includes physicians who have left the province, physicians who have moved to different communities within the province, physicians who did not meet the billing threshold and physicians who remain in the same location, but have changed specialties. Turnover does not reflect the percentage of physicians not retained.

Notes:

- 1) The net number of physicians who entered practise in 2015-16 was 251, the difference between "Practising" (1,699) and "Still Practising" (1,448).
- 2) Data captured may not be complete for physicians participating in non-fee-for-service arrangements. Data, including the number of active physicians, may be affected by the extent of shadow billing.
- 3) The table has been adjusted historically, as Lloydminster is now classified as an Urban Community.

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 the Canadian public sector accounting standards 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,

A handwritten signature in cursive script that reads "Erin Brady".

Erin Brady
Chief Executive Officer

PHYSICIAN RECRUITMENT AGENCY OF SASKATCHEWAN
FINANCIAL STATEMENTS
For the year ended March 31, 2017



INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Physician Recruitment Agency of Saskatchewan, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Physician Recruitment Agency of Saskatchewan as at March 31, 2017, and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Judy Ferguson, FCPA, FCA
Provincial Auditor

Regina, Saskatchewan
July 11, 2017

Statement 1

**Physician Recruitment Agency of Saskatchewan
Statement of Financial Position
As at March 31**

	<u>2017</u>	<u>2016</u>
Financial Assets		
Due from the General Revenue Fund (Note 3)	\$ 1,551,433	\$ 2,033,845
Accounts Receivable	87,672	6,235
	<u>1,639,105</u>	<u>2,040,080</u>
Liabilities		
Accounts Payable	190,789	210,823
Accrued Liabilities	33,160	60,547
	<u>223,949</u>	<u>271,370</u>
Net Financial Assets (Statement 3)	<u>1,415,156</u>	<u>1,768,710</u>
Non-Financial Assets		
Tangible Capital Assets (Note 4)	153,774	175,762
Prepaid Expenses (Note 5)	30,805	28,342
	<u>184,579</u>	<u>204,104</u>
Accumulated Surplus (Statement 2)	<u>\$ 1,599,735</u>	<u>\$ 1,972,814</u>
Contracted Obligations (Note 11)		
(See accompanying notes)		

Statement 2

**Physician Recruitment Agency of Saskatchewan
Statement of Operations and Accumulated Surplus
For the year ended March 31**

	<u>2017</u> Budget (Note 9)	<u>2017</u>	<u>2016</u>
Revenue			
Ministry of Health - General Revenue Fund			
Operating Grant	\$ 1,500,000	\$ 1,370,000	\$ 1,500,000
Program Grant (Note 7)	1,850,000	1,528,765	1,198,663
Interest Revenue	10,000	7,429	12,814
Miscellaneous Revenue	-	12,463	961
	<u>3,360,000</u>	<u>2,918,657</u>	<u>2,712,438</u>
Expenses			
Corporate Services			
Salaries and Benefits	1,365,550	1,295,129	1,264,926
Accommodations	144,400	151,971	149,011
Office Equipment and Supplies	116,000	106,736	96,784
Other	73,350	100,137	54,982
Board	16,500	11,779	11,216
Program	397,750	178,514	241,853
Communications	375,500	168,416	188,557
Grant Programs	1,425,000	1,244,987	759,876
Amortization	32,000	34,067	31,965
Loss on Disposal of Capital Assets	-	-	1,056
	<u>3,946,050</u>	<u>3,291,736</u>	<u>2,800,226</u>
Net Deficit (Statement 3 and 4)	<u>\$ (586,050)</u>	(373,079)	(87,788)
Accumulated Surplus, beginning of year		<u>1,972,814</u>	<u>2,060,602</u>
Accumulated Surplus, end of year (Statement 1)		<u>\$ 1,599,735</u>	<u>\$ 1,972,814</u>

(See accompanying notes)

Statement 3

**Physician Recruitment Agency of Saskatchewan
Statement of Change in Net Financial Assets
For the year ended March 31**

	<u>2017</u>	<u>2016</u>
Net Deficit (Statement 2)	\$ (373,079)	\$ (87,788)
Acquisition of Tangible Capital Assets	(12,079)	(19,038)
Amortization of Tangible Capital Assets	34,067	31,965
Loss on Disposal of Tangible Capital Assets	-	1,056
Change in prepaid expenses	<u>(2,463)</u>	<u>15,462</u>
Decrease in Net Financial Assets	(353,554)	(58,343)
Net Financial Assets, beginning of year	<u>1,768,710</u>	<u>1,827,053</u>
Net Financial Assets, end of year (Statement 1)	<u><u>\$ 1,415,156</u></u>	<u><u>\$ 1,768,710</u></u>

(See accompanying notes)

Statement 4

**Physician Recruitment Agency of Saskatchewan
Statement of Cash Flows
For the year ended March 31**

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities:		
Net Deficit (Statement 2)	\$ (373,079)	\$ (87,788)
Add: Non-Cash Items		
Amortization	34,067	31,965
Loss on Disposal of Tangible Capital Assets	-	1,056
(Increase)/Decrease in Accounts Receivable	(81,437)	4,526
Decrease/(Increase) in Prepaids	(2,463)	15,462
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	(47,421)	152,077
	<u>(470,333)</u>	<u>177,298</u>
Net cash (used)/provided by operating activities		
Cash Flows from Capital Activities:		
Purchase of Capital Assets	<u>(12,079)</u>	<u>(19,038)</u>
Increase/(Decrease) in Due from General Revenue Fund	(482,412)	98,260
Due from the General Revenue Fund, beginning of year	<u>2,033,845</u>	<u>1,935,585</u>
Due from the General Revenue Fund, end of year	<u>\$ 1,551,433</u>	<u>\$ 2,033,845</u>

(See accompanying notes)

Physician Recruitment Agency of Saskatchewan
Notes to the Financial Statements
For the year ended March 31, 2017

1. Description of Business

The Physician Recruitment Agency of Saskatchewan (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).

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

The financial statements are prepared on the accrual basis of accounting.

b. Grant Revenue

Grant Revenues 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 year for operations. Expenses include provision for the amortization of tangible capital assets.

d. Tangible Capital Assets

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

<u>Capital Asset Class and Category</u>	<u>Threshold</u>	<u>Estimated useful Life</u>
Leasehold and occupancy improvements	\$5,000	lesser of useful life or lease term/occupancy arrangement
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.

Physician Recruitment Agency of Saskatchewan
Notes to the Financial Statements
For the year ended March 31, 2017

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.

3. 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 2016-17 the average interest rate was 0.54% (2015-16 was 0.60%).

4. Tangible Capital Assets

	Computer software	Furniture & equipment	System development	Computer hardware	2017 Totals	2016 Totals
Opening cost	\$1,465	\$23,224	\$267,229	\$ -	\$291,918	\$274,388
Additions during the year	-	-	9,426	2,653	12,079	19,038
Disposals during the year	-	-	-	-	-	(1,508)
Closing cost	1,465	23,224	276,655	2,653	303,997	291,918
Opening accumulated amortization	1,465	6,708	107,983	-	116,156	84,643
Amortization during the year	-	2,322	31,214	531	34,067	31,965
Disposals during the year	-	-	-	-	-	(452)
Closing accumulated amortization	1,465	9,030	139,197	531	150,223	116,156
Net book value of tangible capital assets	\$ -	\$14,194	\$137,458	\$2,122	\$153,774	\$175,762

5. Prepaid Expenses

Prepaid expenses are primarily related to advertising, future participation at conferences and career fairs and the office lease in 2017.

Physician Recruitment Agency of Saskatchewan
Notes to the Financial Statements
For the year ended March 31, 2017

6. 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. Related party transactions for the year ended March 31, 2017, include the following:

	<u>2017</u>	<u>2016</u>
Revenue		
Ministry of Health – Grant and Reimbursement	2,898,765	2,698,663
Ministry of Finance – Interest	7,429	12,814
Workers Compensation	10,381	-
Expenses		
Ministry of Finance – Pension and Benefits	189,637	181,882
Ministry of Central Services	77,166	69,001
SaskTel	13,483	15,069
University of Saskatchewan	11,030	12,894
Saskatchewan Polytechnic	26,000	29,850
SaskPower	3,867	5,345
SaskEnergy	2,478	2,638
Prince Albert Regional Health Authority	-	752
Regina Qu'Appelle Regional Health Authority	500	500
Payables		
Ministry of Finance – Pension and Benefits	46,685	-
SaskTel	1,921	
Receivables		
Ministry of Health	78,765	-
Ministry of Finance - Interest	2,517	2,716

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.

7. Program Grants

Program Grants relate to funding to support three programs:

- The Rural Physician Incentive Program provides grants of \$120,000 over five years to recent medical graduates practicing in rural and remote communities

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- The Medical Resident Interest Reimbursement Program provides grants to University of Saskatchewan medical residents to offset the interest costs on government student loans during residency
- HealthCareersInSaskatchewan portfolio management program receives funding for the recruitment of the non-physician healthcare workforce

8. 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

9. Budget Approval

The Agency's budget was approved by its Board of Directors on January 25, 2016.

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10. Pension Plan

The Agency's employees participate in the Public Employees Pension Plan, a defined contribution pension plan. Members contributed 5% of salary and the employer contributed 7.6% in 2016-17 (7.5% in 2015-16). The Agency's contribution for this fiscal year was \$67,889 (\$64,187 in 2015-16). The Agency's obligation relative to the pension plan is limited to making the required contributions.

11. Contractual Obligations

The Agency has a lease agreement with Discovery Plaza Inc. Consulting for office space at a monthly rate of \$9,463 to October 31, 2017 and then \$9,783 until October 31, 2019.

12. Future Changes in Accounting Standards

A number of new standards and amendments to standards issued by the Public Sector Accounting Board are not yet effective and have not been applied in preparing these financial statements.

The Agency plans to adopt the following new or amended standards on their effective date and is currently analyzing the impact they may have on the financial statements.

- Related Party Disclosures PS 2200 (effective April 1, 2017)
- Assets PS 3210 (effective April 1, 2017)

The Agency has assessed that the following new or amended standards will have no effect on the financial statements.

- Contingent Assets PS 3320 (effective April 1, 2017)
- Contractual Rights PS 3380 (effective April 1, 2017)
- Inter-Entity Transactions PS 3420 (effective April 1, 2017)
- Restructuring Transactions PS 3430 (effective April 1, 2018)

For More Information

Electronic copies of this annual report are available for download from the Agency's website (www.saskdocs.ca) or by contacting the Physician Recruitment Agency of Saskatchewan (saskdocs) directly at the address below.

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