



Manitoba Financial  
Services Agency

Historic St. Boniface Cathedral, Winnipeg, MB

# ANNUAL REPORT

## 2024 / 2025

For the Fiscal Year April 1, 2024 – March 31, 2025  
A Special Operating Agency of the Province of Manitoba

Securities Commission  
Real Estate  
Financial Institutions



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**MINISTER OF  
FINANCE**  
**Legislative Building**  
**Winnipeg, Manitoba, CANADA**  
**R3C 0V8**

Her Honour the Honourable Anita Neville, P.C., O.M.  
Lieutenant Governor of Manitoba  
Room 235, Legislative Building  
Winnipeg, Manitoba  
R3C 0V8

May it Please Your Honour:

I have the privilege of presenting for the information of Your Honour the Annual Report of the Manitoba Financial Services Agency for the fiscal year ended March 31, 2025.

Respectfully submitted,

A handwritten signature in blue ink that reads "Adrien Sala".

Honourable Adrien Sala  
Minister





**Manitoba  
Financial Services  
Agency**

Securities Commission  
Financial Institutions  
Real Estate

The Honourable Adrien Sala  
Minister of Finance  
Room 103, Legislative Building  
Winnipeg, Manitoba  
R3C 0V8

Sir:

I submit for your approval the Annual Report of the  
Manitoba Financial Services Agency for the fiscal year ended  
March 31, 2025.

Respectfully submitted,

David Cheop  
Chief Administrative Officer  
Manitoba Financial Services Agency









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This report is available in alternate formats upon request to **[securities@gov.mb.ca](mailto:securities@gov.mb.ca)**

A PDF version is available at **[themfsa.ca](http://themfsa.ca)**

## LEGEND

	Agency Content
	Securities Commission
	Real Estate
	Financial Institutions





The Manitoba Financial Services Agency (MFSA) is a Special Operating Agency (SOA) of the Province of Manitoba that administers and enforces legislation for the province's securities and insurance sectors, real estate and mortgage industries, credit unions, *caisses populaires*, and trust and loan companies.

The Agency is comprised of The Manitoba Securities Commission (MSC) and Financial Institutions Regulation Branch (FIRB).

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### **MISSION**

The MFSA seeks to foster a better financial future for all Manitobans through responsive regulation that promotes fairness, honesty and openness within Manitoba's financial services and real estate sectors.

### **VISION**

Strong and fair financial services and real estate sectors that benefit both the industry and the public, supported by the MFSA.



# NUMBERS AT A GLANCE





77

Investor Alerts  
& Cautions



2,890

Registrations

Under the Real Estate Services Act



02

Statement of  
Allegations Filed

Combined assets of  
**\$46.0** BILLION

Held in Manitoba Credit Unions  
and *Caisses populaires*



620

Prospectuses Filed



26,680

Registrations under  
*The Securities Act*



2,959

Podcast Downloads



## CAO's MESSAGE

The Manitoba Financial Services Agency advanced its efforts over the past year to promote a strong and fair financial services industry and real estate sector on several fronts. One major initiative involved developing *The Manitoba Financial Services Authority Act*, which the Manitoba Legislature introduced in March 2025 and which was passed and received Royal Assent in June 2025. Once proclaimed into force, this legislation will reconstitute the agency as the Manitoba Financial Services Authority, a statutory corporation mandated to carry out the regulatory and adjudicative functions currently performed by The Manitoba Securities Commission and the Financial Institutions Regulation Branch. Over the coming year, agency staff will focus on implementing this new structure.

The agency also supported three other key legislative initiatives over the past year:

- Amendments to *The Credit Union and Caisses Populaires Act* that enable credit unions and caisses populaires to terminate the membership of abusive or disruptive members, streamline the bylaw amendment process and simplify the conduct membership meetings.
- Amendments to *The Insurance Act* impose limits on funds held in side accounts of universal life insurance contracts, authorize the use of email for notices of hearing from the insurance Agents' and Adjusters' Licensing Appeal Board, and grant immunity from liability to the Board, its members, and its coordinator of appeals.
- Amendments to *The Real Estate Services Act* authorize the Commission to freeze funds held by unregistered individuals, set a two-year limitation period for

prosecutions, and clarify that both the Commission and the Registrar can determine whether a registrant engaged in unbecoming conduct.

These bills were introduced in the Legislature in March 2025, and it came into force in June 2025.

In July, the Commission adopted new forms of offers to purchase for single-family residences and condominium units. These forms, which registrants under *The Real Estate Services Act* must use when submitting offers on behalf of clients, were developed by a committee of representatives from the Commission, the legal profession, and the real estate brokerage industry. These new forms represent a complete updating to the existing mandated forms, which were last amended in the 1990s. The new forms will take effect in November 2025 to give registrants time to complete a required training course on their use.

The Agency continued to focus on expanding opportunities for businesses, particularly early-stage enterprises, to raise capital. In October 2024, the Commission issued a blanket order establishing a "self-certified prospectus exemption," which allows issuers to raise funds from purchasers who do not meet the financial thresholds and other criteria to qualify as an accredited investor. Under this exemption, individuals may invest alongside accredited investors if they meet certain conditions intended to demonstrate their financial and investment knowledge. This exemption mirrors similar ones adopted by securities regulators in Alberta and Saskatchewan.

The Commission's investigations team addressed a growing number of complaints related to fraudulent activity, particularly cryptocurrency schemes.



In many cases, the Commission collaborated with other regulators across Canada and internationally due to the cross-border nature of these scams. In partnership with our communications team, the Commission issued several investor alerts to educate the public on how to protect themselves from investment fraud and related risks.

As a member of the Canadian Securities Administrators (CSA), the Commission participated in several national initiatives throughout the year, including:

- publishing research in April 2024 on the impact of Client Relationship Model amendments on industry and investor behaviour.
- releasing updated guidance in April 2024 on the CSA's interim approach to value-referenced crypto assets ("stablecoins").
- publishing final amendments in May 2024 to shorten mutual fund settlement cycles.
- issuing proposed amendments in September 2024 related to central counterparty clearing of derivatives.
- releasing proposed amendments in September 2024 to modernize the continuous disclosure requirements for investment funds.
- issuing proposed amendments in November 2024 to implement an access model for continuous disclosure documents of non-investment fund reporting issuers.

**David Cheop**

Chief Administrative Officer, Manitoba Financial Services Agency  
Chair and CEO of the Manitoba Securities Commission

- publishing guidance in December 2024 on the use of artificial intelligence in capital markets.

Commission staff continued playing a major role in various projects following on the merger of the Investment Industry Regulatory Organization of Canada and the Mutual Fund Dealers Association of Canada into the Canadian Investment Regulatory Organization (CIRO). This included publishing for comment an updated consolidated rule book in five segments, with a final complete version to follow.

In November 2024, the Commission, as part of the CSA, announced plans to delegate additional registration functions and powers to CIRO. CIRO already performs some registration functions on behalf of certain CSA members under delegated authority. This additional delegation would further harmonize registration processes for CIRO members across Canada. Most CSA jurisdictions completed the delegation on April 1, 2025, with the Commission planning to issue its delegation order later in 2025.

On a somber note, in September 2024, the Commission lost Al Babiuk in a tragic accident. Al was appointed to the Commission in August 2023, and during his brief time with us, he became a valued contributor, participating meaningfully in meetings and serving as an effective and dedicated panel member in hearings. We deeply miss him.



## COMMISSIONERS

The Manitoba Securities Commission, a division of MFSA, was structured in its present form in 1968 as set out in The Securities Act.

The Commission is divided into two branches; the administrative or functional arm which is made up of full-time employees who conduct the day-to-day operations; and the policy-making group made up of a maximum of seven Order in Council appointees who meet regularly (Commission Members).

Commission Members deal with policy formulation, applications seeking exemptive or other special relief, and perform a judicial function in the hearing of disciplinary proceedings brought pursuant to the several Acts or for the determination of applications.

Commission Members are selected based on nomination or application to the Office of the Minister of Finance, vetted and approved by the Agencies, Boards and Commissions Committee of Cabinet and the Legislation and Strategic Policy Branch. An Order in Council is prepared, and once approved by the Cabinet, is signed by the Lieutenant Governor.



**Mr. David Cheop, K.C.**  
Chair



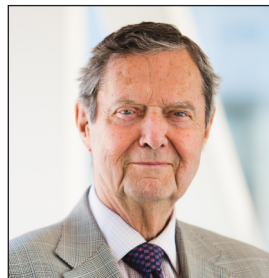
**Ms. Deborah J. Metcalfe**  
Vice-Chair



**Mr. Al Babiuk**



**Mr. Charles Burns**



**Mr. J.T. (Jack)  
McJannet, K.C.**



**Ms. Debbie Ammeter**



**Ms. Linda Vincent**



## HEARINGS & COMMISSION MEETINGS

During the fiscal year 2024/25, the Manitoba Securities Commission held a total of 18 Commission meetings, 8 hearings, 7 special meetings and 3 training sessions. Hearing attendance by individual Commissioners is determined on a case by case basis by the Chair, factoring in a variety of considerations.

	DJM	CDB	DAA	JTM	LAV	AWB <sup>1</sup>
COMMISSION MEETINGS	15/18	13/18	18/18	13/18	15/18	5/18
HEARINGS	4	7	4	0	4	0
SPECIAL MEETINGS <sup>2</sup>	6	0	0	3	0	0
TRAINING	1	0	1	0	1	1

### LEGEND

DJM Deborah J. Metcalfe  
CDB Charles Burns  
DAA Debbie Ammeter

JTM Jack McJannet  
LAV Linda Vincent  
AWB Al Babiuk

<sup>1</sup> Al Babiuk passed away September 7, 2024.

<sup>2</sup> Special meetings are also determined on a case by case basis, and typically do not need to involve all Commissioners.

## MANAGEMENT TEAM



**David Cheop**  
CAO, MFSA  
CEO & Chair, MSC



**Chris Besko**  
Executive Director



**Ainsley Cunningham**<sup>1</sup>  
Manager, Education &  
Communications



**Marko Bilandzija**<sup>2</sup>  
Acting Manager,  
Education & Comms



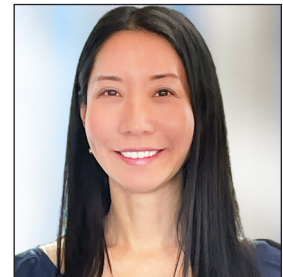
**Jason Roy**  
Senior Investigator  
Investigations



**Leigh-Anne Mercier**  
General Counsel  
Legal



**Keith Schinkel**  
Registrar,  
Real Estate Division



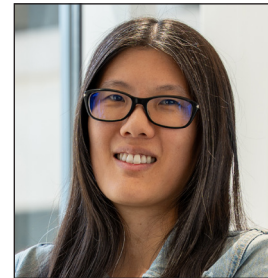
**Kimberly Asano**  
Deputy Director,  
Registrations



**Patrick Weeks**  
Deputy Director,  
Corporate Finance



**Paula White**<sup>3</sup>  
Deputy Director,  
Compliance



**Angela Duong**<sup>4</sup>  
Acting Deputy Director,  
Compliance



**Scott Moore**  
Superintendent,  
FIRB



**Djemal Halilagic**  
Deputy Superintendent,  
FIRB



**Yeu Fang Sharma**  
Controller

<sup>1</sup> Ainsley Cunningham retired from the Commission on April 5, 2024.

<sup>2</sup> Marko Bilandzija became Acting Manager, Education & Communications on April 22, 2024.

<sup>3</sup> Paula White retired from the Commission on May 17, 2024.

<sup>4</sup> Angela Duong became Acting Deputy Director, Compliance on June 25, 2024.



## GENDER DIVERSITY IN MANAGEMENT & FTE STAFF POSITIONS

As a member of the Canadian Securities Administrators, MFSA works to maintain equitable representation of gender diversity within the organization's management structure comparable to national statistics.

2024/25	Female		Male	
<b>COMMISSION MEMBERS</b>	3	43%	4	57%
<b>SENIOR MANAGEMENT</b>	0	0%	2	100%
<b>MANAGEMENT</b>	6	50%	6	50%

The MFSA employs a combined 48.6 Full-Time Equivalent (FTE) staff positions.

	FTE Staff Positions	Estimated Staff Expenditures (in thousands)	Actual Staff Expenditures (in thousands)	Variance* Over (Under) (in thousands)
2024/2025	<b>48.6</b>	<b>\$4,830</b>	<b>\$4,476</b>	<b>(\$354)</b>
2023/2024	48.6	\$5,080	\$4,364	(\$716)
2022/2023	48.6	\$4,516	\$4,166	(\$350)
2021/2022	48.6	\$4,245	\$3,973	(\$272)
2020/2021	48.6	\$4,290	\$3,753	(\$537)

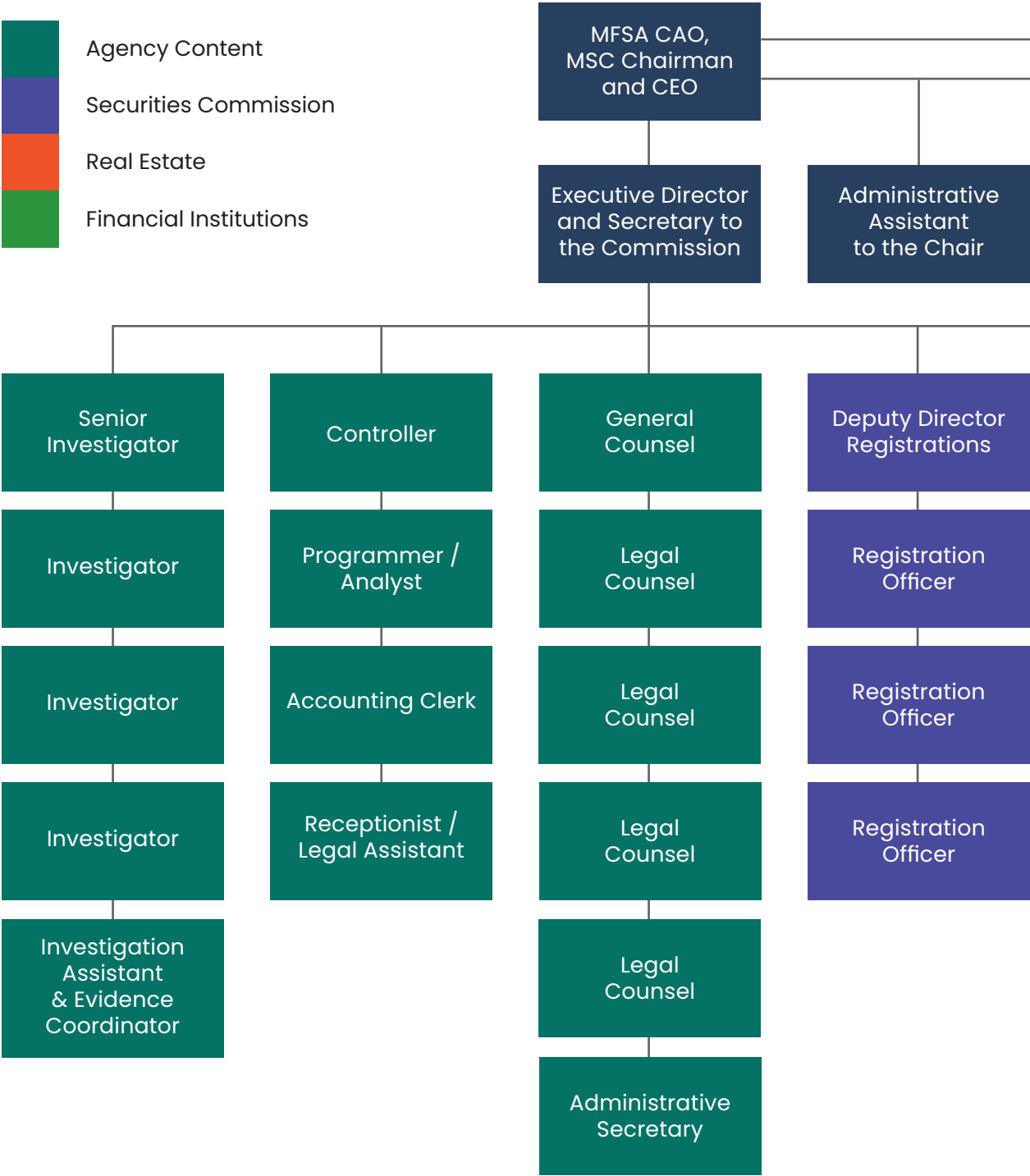
\* Variance (under) due to vacant positions and staff utilizing Voluntary Reduced Work-Week (VRW) days.

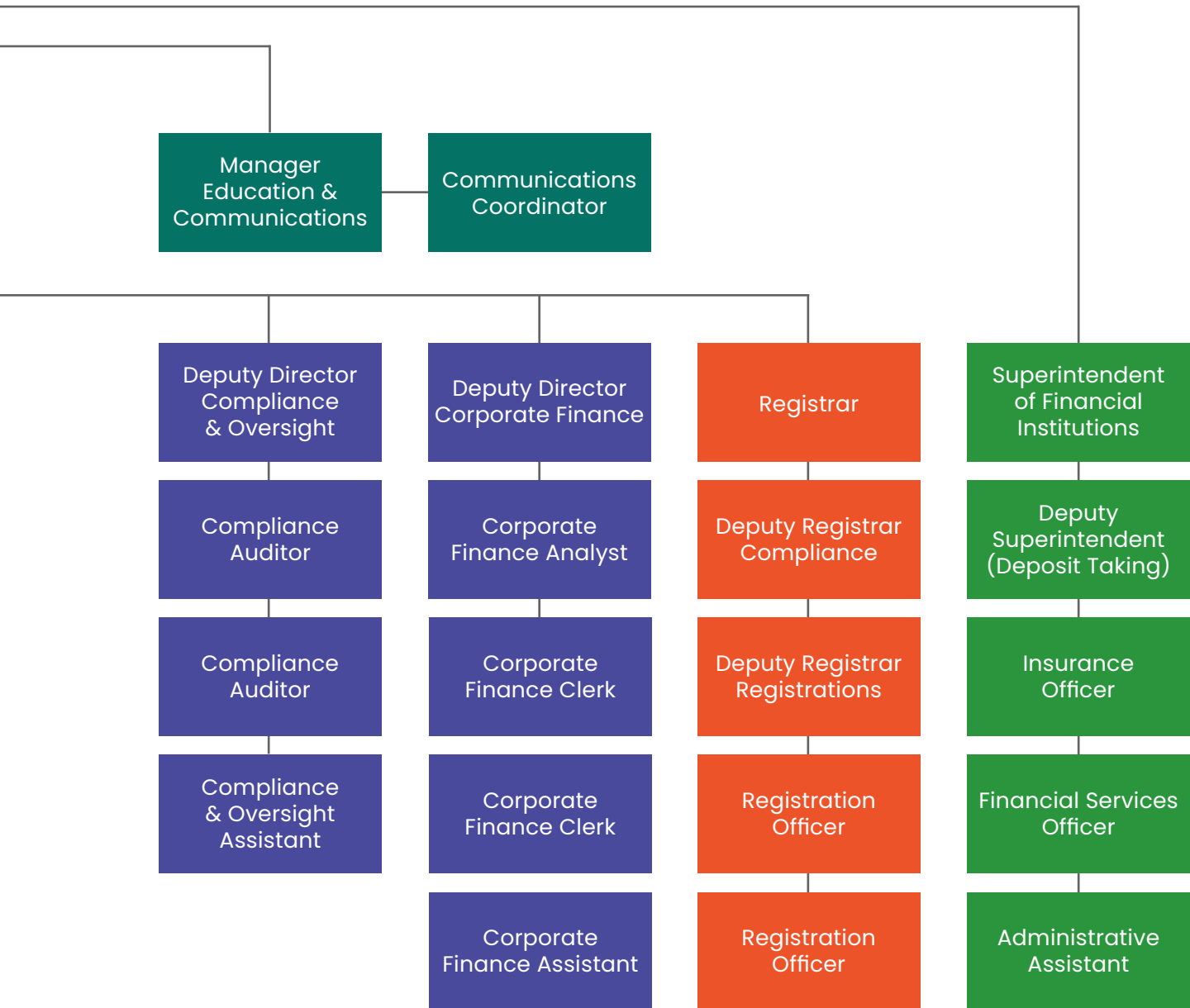
# ORGANIZATIONAL CHART

## LEGEND



- Agency Content
- Securities Commission
- Real Estate
- Financial Institutions







## EDUCATION & COMMUNICATIONS

This year brought big changes for the Education and Communications team. In April 2024, Ainsley Cunningham retired after nearly 25 years with the Manitoba Securities Commission. Ainsley built the Investor Education and Communications program from the ground up. We're grateful for her contributions and wish her all the best in retirement.

To keep things running smoothly, Marko Bilandzija stepped into the role of acting manager and helped other departments with their communications and investor education needs.

In November, we were invited to present at a Manitoba Hydro staff conference in Gillam, Manitoba. Manitoba Hydro had identified responsible money management as a particular challenge for employees in smaller communities and saw value in offering education around financial literacy and investing.

Our investor education sessions focused on common types of investments and strategies for making informed financial decisions. Each session included a presentation followed by an engaging Q&A. More than 200 employees attended and walked away with financial and investment knowledge they could apply to their lives immediately.

We're proud to note that our Fraud Prevention Month partnership with CJNU 95.9 FM continued in March. The campaign featured interviews with Commission staff and local experts who shared tips on how to avoid scams — especially new scams involving artificial intelligence. We were pleased to join a fraud prevention webinar hosted by the WRHA as part of its Support Services for Seniors program, too.

We continue to evaluate our tools and resources, such as our guides and websites, with an increased focus on improving accessibility for our stakeholders.



### EDUCATION & COMMS. STATS AT A GLANCE

#### SOCIAL MEDIA

X Followers: **1,213**<sup>1</sup>  
Facebook Followers: **736**  
Instagram Followers: **193**

#### PODCASTS

**TIME TO CALL OUT FRAUD**  
Total Episodes: **7**  
Total Downloads: **1,877**

**THE GREAT DISCONNECT**  
Total Episodes: **6**  
Total Downloads: **1,084**

<sup>1</sup> X followers includes both the MoneySmart Manitoba account as well as the commission the\_mfsa account.

## CORPORATE FINANCE

The Corporate Finance Department is focussed on maintaining confidence in our capital markets and ensuring the protection of investors by providing fair, balanced, and responsive regulation.

Towards the end of the fiscal year, a significant amount of economic uncertainty arose regarding tariffs, recession risks, and other global economic issues. In recognition of this uncertainty and to support Manitoba's capital market activity, we are working on initiatives that will reduce the burden of accessing our markets. These initiatives will enhance the attractiveness of our capital markets by fostering a more dynamic and competitive market environment that streamlines regulatory requirements for issuers. Our goal in the coming year is to make it easier and more cost-effective for businesses to raise capital and grow in Canada, while maintaining strong investor protection.

During fiscal 2024 we continued our work on the reduction of burden for our stakeholders.

We introduced an access model for non-investment fund prospectuses and we currently have a proposal published for comment that would update and enhance our mining disclosure regime. In the coming year, we will continue to advance burden reduction initiatives. The Well-Known Seasoned Issuer shelf prospectus offering regime and the expansion of the Listed Issuer Financing Exemption will provide issuers with more efficient access to our capital markets.

The Corporate Finance Department is a key member of both the CSA Corporate Finance Steering Committee and the Investment Funds Steering Committee. The committees include members from other CSA jurisdictions and are mandated to harmonize guidance and direction regarding policy initiatives and operational matters. We are members of several other CSA Committees.



## LEGAL

The Legal department assists all areas of the MFSA to meet their individual mandates. This work includes providing support in developing policy, rules, and legislation.

On the Securities side, we have participated in projects with other CSA members to improve the effectiveness and efficiency of derivatives regulation including derivatives trade reporting. In registration matters, we coordinated exemptive relief required to allow the registration of cryptoasset trading platforms. We were also involved with developing a blanket order establishing an exemption that allows issuers to raise funds from purchasers who do not meet the financial thresholds and other criteria to qualify as an accredited investor. This blanket order is similar to orders adopted by securities regulators in Alberta and Saskatchewan.

In the areas of capital formation and technology driven changes to financial markets, the Legal department remains actively engaged with CSA colleagues as part of the CSA Financial Innovation Hub and the CSA Cryptoasset Platform Taskforce, which looks at new business models and technologies that are changing the financial markets and their impacts on regulation. We have been actively looking at cryptoassets and working with local participants who are involved in that area.

We have assisted in several legislative initiatives to amend legislation that we administer including *The Credit Union and Caisses Populaires Act* and *The Real Estate Services Act* to ensure the legislation is up to date. We also were involved in developing *The Manitoba Financial Services Authority Act*. This legislation will reconstitute the agency as a statutory corporation mandated to carry out the regulatory and adjudicative functions currently performed by The Manitoba Securities Commission and the Financial Institutions Regulation Branch.

As part of its mandate to protect Manitobans in their dealings in the securities, commodities, real estate, and mortgage markets, the legal staff pursue enforcement proceedings, both before the Commission itself and in the provincial courts. This year staff appealed the sentencing of an individual who had pled guilty to 50 counts of trading in securities and acting as a mortgage broker without registration. This appeal led to a sentence by the Provincial Court of 15 months house arrest being replaced with a sentence of 18 months in jail by the Court of Kings Bench to reflect the severity of the offenses and the history of similar conduct by the individual. The individual received credit for six months already served under the house arrest during the appeal process.

## LEGAL STATS AT A GLANCE

Exemptions Orders: **18**  
Investigation Orders: **5**  
Financial Reporting Orders: **7**  
Cease Trade Orders: **3**  
Compliance Orders: **7**

Statements of Allegations Issued: **2**  
Enforcement Orders Filed: **2**  
Settlement Agreements Completed: **2**  
Decision Documents Published: **3**  
Pending Provincial Court Hearings: **0**

For more expansive statistics, see page 44.



## COMPLIANCE & OVERSIGHT

The Compliance and Oversight department has two main areas of responsibility. We develop and administer the MSC's compliance program to monitor the activities of registrants through audits, financial statement reviews and reviews of application for registration. In addition, we oversee self-regulatory organizations including the Canadian Investment Regulatory Organization, and is responsible for the oversight of exchanges, clearing agencies, trade repositories and alternative trading systems in Manitoba. We work cooperatively with the CSA to develop and implement harmonized rules for registrants and marketplace participants.

In May, Paula White retired after nearly 20 years with the Manitoba Securities Commission. During her tenure, Paula played a critical role in creating the compliance program and building out the department starting with a team of one to a team of four. We thank Paula for her hard work and dedication.

During the year, Compliance staff continued to work on the focused review to assess registrants' compliance with the other obligations under Client Focused Reforms, including the know your client, know your product, and suitability determination requirements that came into effect on December 31, 2021. CSA and CIRO staff are discussing the findings and plan to publish additional guidance, which will include suggested practices for industry on compliance with these reform areas.

In addition, Compliance staff, along with our CSA colleagues, continued to work on various solutions outlined in CSA Position Paper 25-404 New Self-Regulatory Organization Framework to be implemented after the close of the amalgamation transaction. Post-close initiatives will continue to be an area of focus in 2025.





# INVESTIGATIONS & ENFORCEMENT

The MFSA continues to work on the CSA Investment Fraud Task Force (IFTF) to ID and address emerging threats to Canadians. The IFTF monitors digital asset marketplace and product activity, and strategizes how to disrupt, deter, and prevent investment and other frauds.

Over the year, the MFSA issued over 75 investor alerts warning the public of scams, which were mainly aligned with the trend of offshore crypto and Forex frauds. Similarly, securities complaints increased almost 20% to 401 submissions – while real estate complaints were up 7% to 184 received.

The enforcement team cracked two especially notable cases in 2024.



## INVESTIGATIONS STATS AT A GLANCE

### SECURITIES

Complaints/Inquiries to Investigation and Enforcement: **369**

Formal Investigation Files Opened: **32**

### REAL ESTATE

Complaints/Inquiries to Investigation and Enforcement: **175**

Formal Investigation Files Opened: **9**

For more expansive statistics, see page 44 and 45.

In the first case, investigators obtained a payment processor’s records and identified 42 Manitobans as investment scam targets. The team successfully contacted 39 of the victims and interrupted some payments to the fraudster, preventing additional losses. Twenty separate investor alerts, naming scam companies and websites, were issued from this case alone.

The second case involved a realtor who flipped a house but didn’t disclose a large foundational crack to the buyer, claiming they were unaware of the issue. However, the basement they renovated provided evidence to the contrary. Ultimately, MFSA investigators traced the wood studs used in the reno all the way from the manufacturing plant to a local retailer to the realtor, who was suspended for 3 years and fined almost \$35,000.

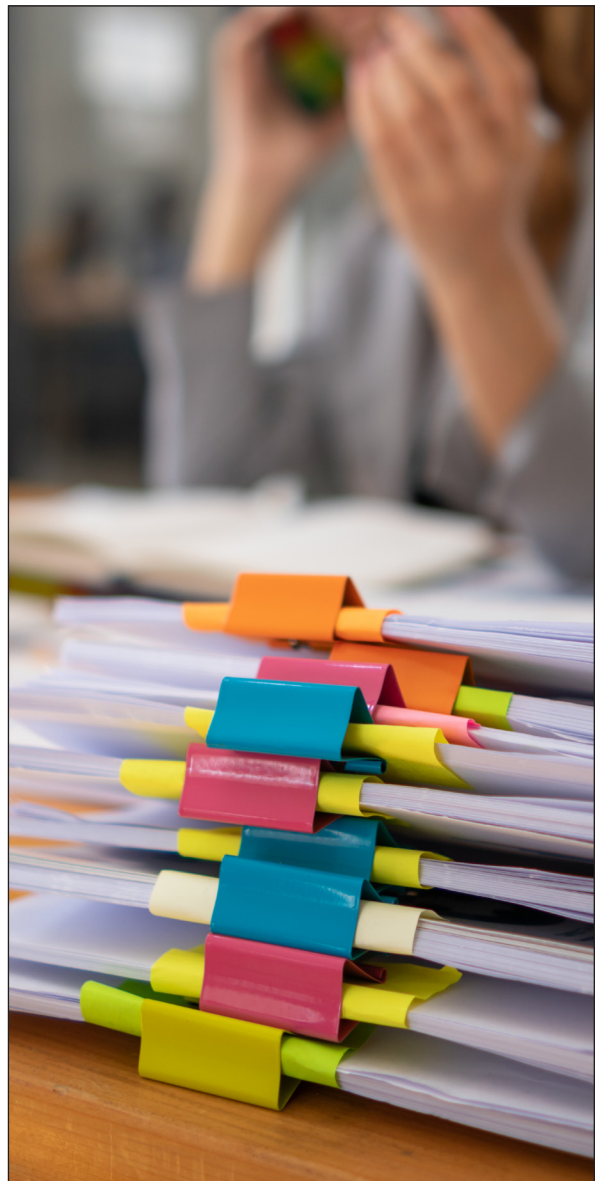
## REGISTRATIONS

The Registrations area is responsible for the registration of firms and individuals working in the securities industry. This function is an essential cornerstone to investor protection. In fiscal 2024/25, Registrations has continued to work cooperatively with our CSA partners.

Registrations continues collaborating with our CSA colleagues on Canadian Investment Regulatory Organization (CIRO) post-amalgamation policy and operational initiatives. Among other things, this includes reviews of CIRO's rulebook consolidation and new proficiency model, as well as discussions on outstanding and novel issues in the registration of dual registered firms. Registrations has also been engaged in the proposed delegation of the registration of investment dealer and mutual fund dealer firms and individuals to CIRO, including work with our CSA partners on harmonized delegation orders and processes.

Throughout the past year, Registrations and the CSA continued discussing and operationalizing processes for the review of registration applications for Crypto-asset Trading Platforms in consultation with the CTP Taskforce to coordinate registration of the platforms with exemptive relief being issued to allow for their operation. This included discussions about staking and appropriate custodians relative to a CTP. In addition, we continue to participate in the policy development involving the oversight of CTPs, including the ongoing refinement of terms and conditions imposed on restricted dealers.

Together with our CSA colleagues, Registrations continues work on various other issues, including analyzing client-facing titles, strengthening OBSI's powers for handling of client complaints, working on issues concerning chargebacks and dealer compensation, considering registration of unique firm business models, and reviewing the proficiency requirements under NI 31-103.



## REAL ESTATE

*The Real Estate Services Act* prescribes the offer to purchase contract that Manitoba real estate registrants must use when helping clients buy or sell completed single-family residential homes and completed single-family condo units.

The Commission originally formed a committee in 2022 to review and suggest changes to the offer contracts as well as to the prescribed property disclosure statement. The committee included members of the Manitoba Real Estate Association, the Manitoba Bar Association, and Commission staff.

After extensive stakeholder consultation and revision, the Commission has finalized and approved new offer to purchase contracts and property disclosure statement forms. All offers to purchase prepared by real estate registrants for completed single-family residential homes or completed single-family condo units must use the new contracts as of November 1, 2025.



Development of a mandatory educational course to prepare real estate registrants for the changes coming in fall 2025 is underway.

## REAL ESTATE STATS AT A GLANCE

### REGISTRATIONS

Registrations under the RESA: **2,890**

Registrations under The Mortgage Brokers Act: **564**

### EDUCATION

Salesperson Pre-Licensing Education Enrollments: **465**

Broker Pre-Licensing Education Enrollments: **23**

Re-Licensing Education Completions: **2,509**

### FINANCIAL FILINGS & COMPLIANCE AUDITS

Registered Brokerage Reports Reviewed: **416**

Final Close-Out Reports Reviewed: **9**

Brokerages Suspended for Failure to File: **11**

For more expansive statistics, see page 45.

## FINANCIAL INSTITUTIONS REGULATION BRANCH



This year, the Financial Institutions Regulation Branch amended *The Credit Unions and Caisses Populaires Act (Bill 15)*.

The key adjustment to the bill was to add a first-of-its-kind credit union membership termination condition. A completely unique piece of legislation, it doesn't exist anywhere in Canada aside from Manitoba.

As of June 4, 2025, credit unions now have the power to shut down a member's account without a resolution of directors if they've been abusive or discriminatory or threatened others' health or safety in any dealings with the credit union.

Another notable change is the ability to request the Registrar advise whether the credit union can create a by-law before presenting it to members for their consideration.

### FIRB STATS AT A GLANCE

#### INSURANCE

Number of Federal and Provincial Licensed Insurers: **204**

Agent, Broker and Adjuster Licenses Issued: **28,819**

#### CREDIT UNIONS

Credit Unions: **15**

*Caisses populaires*: **0**

Combined Assets: **\$46 billion**

#### TRUST & LOANS

Federal Trust and Loan Corporations: **52**

Extra-Provincial Trust and Loan Corporations: **4**

For more expansive statistics, see page 46.



An overhead photograph of four business professionals (three men and one woman) gathered around a wooden conference table. They are engaged in a collaborative discussion, looking at documents and a tablet. The scene is brightly lit, suggesting a modern office environment. The image is partially obscured by a dark green banner containing the title.

# MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2025

The following is a discussion and analysis for the operating results of the Manitoba Financial Services Agency (MFSA) for the year ended March 31, 2025. It should be read in conjunction with the Agency's audited financial statements.

October 1, 2012 by Order in Council, the Manitoba Financial Services Agency, a Special Operating Agency (SOA), was established. The Manitoba Securities Commission (Commission) and the Financial Institutions Regulation Branch (FIRB) merged to form the new agency. The Commission and FIRB now operate as divisions of MFSA.

The financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board.



# MANAGEMENT'S DISCUSSION & ANALYSIS

## RESULTS OF OPERATIONS

### ANNUAL SURPLUS

Annual surplus for the year ended March 31, 2025 was \$24.121 million, an increase over the prior year by \$0.736 million. Revenues of \$30.157 million exceeded revenue budgeted by \$5.272 million. Expenses of \$6.036 million came in under budget by \$0.817 million. The net result was an annual surplus exceeded budgeted annual surplus by \$6.089 million.

### REVENUE

The Agency exceeded its revenue targets by \$5.272 million or 21% because of increased market activities and investment income. See table below for fiscal year end 2023/24 and 2024/25 revenue details.

Revenue (000's)		2025	% of total		2024	% of total	2025 % Increase/ (Decrease) from 2024
<b>Corporate Finance Fees</b>	\$	11,934	40%	\$	11,526	39%	4%
<b>Registration Fees</b>		7,744	26%		7,647	26%	1%
<b>Investment Income</b>		5,828	19%		5,478	19%	6%
<b>FIRB Fees</b>		2,761	9%		2,720	9%	2%
<b>Real Estate Fees</b>		1,739	6%		1,709	6%	2%
<b>Pension Fees</b>		-	-		325	1%	-
<b>Legal Fees</b>		132	0%		115	0%	15%
<b>Miscellaneous Income</b>		19	0%		4	0%	375%
	\$	<b>30,157</b>	<b>100%</b>	\$	<b>29,524</b>	<b>100%</b>	<b>2%</b>

Corporate finance fees and registration fees accounted for 66% of the Agency's 2025 revenues. Corporate finance fees consist of prospectus fees and fees related to filings such as financial statements, annual information forms and rights offerings. Registration Fees are comprised of fees for registration of advisors, dealers and representatives.

## EXPENSES

Overall, total expenses for fiscal year 2025 were \$6.036 million, a decrease of \$0.103 million over fiscal year 2024. See table below for details.

Expenses (000's)*	2025	% of total	2024	% of total	2025 % Increase/ (Decrease) from 2024
<b>Salaries and Benefits</b>	\$ 4,476	74%	\$ 4,364	71%	3%
<b>Operating Expenses</b>	1,530	25%	1,752	29%	(13%)
<b>Amortization</b>	30	1%	23	-%	30%
	<b>\$ 6,036</b>	<b>100%</b>	<b>\$ 6,139</b>	<b>100%</b>	<b>2%</b>

\* For details of expenses refer to the Statement of Operations and Accumulated Surplus in the Audited Financial Statements.

Total expenses were \$0.817 million or 12% below budget. Explained variances in salaries and benefits and operating expenses are below.

### SALARIES AND BENEFITS

Overall, salaries and benefits increased by 3% or \$0.112 million over the previous year. For the fiscal year ending March 31, 2025, salaries and benefits were 7% below budget due to vacancies and the impact of the Voluntary Reduced Workweek program.

### OPERATING EXPENSES

Operating expenses for the fiscal year were 13% lower than last year and were under budget by \$0.472 million or 24% primarily due to:

- Professional services – under budget by \$0.234 million due to lower-than-expected costs.
- Contract services – under budget by \$0.118 million due to delays
- Education/Information Initiatives – under budget by \$0.092 million due to lower-than-expected costs.
- Travel – under budget by \$0.029 million due to lower-than-expected trips.

### CAPITAL EXPENDITURES

Capital expenditures for the 2024-2025 fiscal year were \$0.060 million. Capital expenditure was financed through operations.



## **LIABILITIES**

Liquidity is an organization's ability to meet financial obligations as they come due. Liquidity management provides the certainty that funds will be available to honour all commitments and involves continuous forecasting and monitoring of expected cash flows. The Agency requires liquidity principally to finance its operations and capital expenditures. Its objective is to have sufficient funds available to maintain its operations, without impairment, should revenue decrease below expenses.

The Agency had cash and cash equivalents of \$10.047 million as of March 31, 2025.

As at March 31, 2025, the investment of \$136.328 million is valued at cost and represents an investment held with the Province of Manitoba in a trust account earning a market rate of interest. Invested with the Province of Manitoba Treasury Division allows the Agency the flexibility to access these funds when needed.

## **2024/2025 OVERVIEW**

For the fiscal year ending March 31, 2025, the Agency has budgeted revenue of \$24.885 million and budgeted expenses of \$6.853 million.

The Agency will continue to monitor market activity closely, which has an impact on the financial condition of the Agency. Budgeted revenues will be subject to variability.

## **INFORMATION TECHNOLOGY**

As of March 31, 2025, the Agency had the following internal systems in place:

- Manitoba Securities Commission Information System (MSCIS).
- In-house developed custom software JMS Client for real-time communications with SEDAR Plus JMS Server.
- Custom software Poller for downloading real-time SEDAR Plus data to our database.
- In-house developed software Reconciliator for SEDAR Plus payments reconciliations.
- Real Estate On-line Registration System (ROLS) – An on-line system that gives registrants the ability to register on-line and use a credit card option for payments.
- Consumer Affairs Tracking System (CATS) – Data base for entering insurance agents, companies and adjusters.
- The Agency uses MS Dynamics Great Plains and Management Reporter, an accounting and financial reporting software package for all its accounting and reporting needs. For Accounts Payable and Payroll, the Agency utilizes SAP with the department of Finance.

As well, the Commission division interfaces with, and uses, the following national CSA systems:

- System for Electronic Data Analysis and Retrieval Plus (SEDAR+)
- SEDAR Plus JMS Server
- SEDAR Plus Tableau
- National Cease Trade Order database (CTO)
- System for Electronic Disclosure by Insiders (SEDI)
- National Registration Database (NRD)
- Disciplined Persons

These systems allow the Commission to receive, store and access pertinent information and documentation filed with respect to The Securities Act, The Commodity Futures Act, The Real Estate Services Act and The Mortgage Brokers Act. Maintenance and development of these internal and external systems ensure that daily operations run effectively and efficiently.

The National Systems Renewal Project – NSRP – is an initiative of the Canadian Securities Administrators (CSA), which is comprised of the 13 securities regulators across Canada including The Manitoba Securities Commission (MSC). A multi-year project to update the core systems that individuals and companies use to file material with CSA jurisdictions. These include:

- SEDAR Plus, public companies and other issuers use this system to file prospectuses, continuous disclosure material (such as financial statements) and material change reports, among other documents.
- NRD, used by registrants to file applications for registration and other material.
- SEDI, used by insiders to file trading reports.

The new system (SEDAR Plus) is national in scope, used by individuals and companies as a single point of access to all 13 CSA jurisdictions, including the MSC, and is crucial to the operation of Canada's capital markets. Fees collected by the CSA over the years from filers are paying for the costs of NSRP itself, which is in the tens of millions of dollars. In July 2023, the MFSA updated the interfaces it has with SEDAR Plus that are used to download and upload documents and information to our system.



# MFSA FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025



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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements are the responsibility of the management of the **Manitoba Financial Services Agency** and have been prepared in accordance with Canadian Public Sector Accounting Standards. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available to the audit report date.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions and that established policies and procedures are followed.

The responsibility of the external audit is to express an independent opinion on whether the financial statements of the **Manitoba Financial Services Agency** are fairly represented in accordance with Canadian Public Sector Accounting Standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management of **Manitoba Financial Services Agency**:

**David Cheop**  
Chair and CEO  
Manitoba Financial Services Agency

**Yeu Fang Sharma, CPA, CGA**  
Controller  
Manitoba Financial Services Agency

**June 5, 2025**





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## INDEPENDENT AUDITOR'S REPORT

To The Special Operating Agencies Financing Authority

### OPINION

We have audited the financial statements of **Manitoba Financial Services Agency** (the "Agency"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and accumulated surplus, change in net financial assets, and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2025, and its results of operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Agency in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# STATEMENT OF FINANCIAL POSITION

(IN THOUSANDS)

March 31	2025	2024
<b>Financial Assets</b>		
Cash and cash equivalents (Note 5)	\$ 10,047	\$ 26,834
Accounts receivable (Note 6)	2,278	2,886
Portfolio investments (Note 7)	136,328	94,919
	<b>148,653</b>	124,639
<b>Liabilities</b>		
Accounts payable and accrued liabilities	137	99
Accrued vacation entitlements	432	450
Accrued salaries and benefits	97	199
Employee future benefits (Note 8)	530	569
	<b>1,196</b>	1,317
<b>Net financial assets</b>	<b>147,457</b>	123,322
<b>Non-financial Assets</b>		
Tangible capital assets (Note 9)	192	162
Prepaid expenses	102	146
	<b>294</b>	308
<b>Accumulated surplus</b>	<b>\$ 147,751</b>	\$ 123,630
Designated assets (Note 10)		
Commitments (Note 11)		

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

## STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (IN THOUSANDS)

For the year ended March 31	2025	2025	2024
	Budget	Actual	Actual
<b>Revenue</b>			
Fees	\$ 22,084	\$ 24,310	\$ 24,042
Interest	2,500	5,828	5,478
Miscellaneous	301	19	4
	<b>24,885</b>	<b>30,157</b>	29,524
<b>Expenses</b>			
Amortization – capital assets	21	30	23
CSA initiatives*	150	163	129
Contract services	435	317	456
Education/Information initiatives	94	2	8
Miscellaneous	39	39	49
Office materials and supplies	63	39	70
Premises	576	610	595
Professional services	333	99	185
Research resources	81	92	86
Salaries and benefits	4,830	4,476	4,364
Staff development and professional dues	57	39	45
Telecommunications	78	63	70
Travel	96	67	59
	<b>6,853</b>	<b>6,036</b>	6,139
<b>Annual Surplus</b>	<b>18,032</b>	<b>24,121</b>	23,385
<b>Accumulated Surplus, beginning of year</b>	<b>123,630</b>	<b>123,630</b>	100,245
<b>Accumulated Surplus, end of year</b>	<b>\$ 141,662</b>	<b>\$ 147,751</b>	\$ 123,630

\* Canadian Securities Administrators

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



## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

(IN THOUSANDS)

For the year ended March 31	2025	2025	2024
	Budget	Actual	Actual
<b>Annual Surplus</b>	<b>\$ 18,032</b>	<b>\$ 24,121</b>	<b>\$ 23,385</b>
<b>Tangible Capital Assets</b>			
Acquisition of tangible capital assets	(130)	(60)	(67)
Amortization of tangible capital assets	21	30	23
<b>Net change in tangible capital assets</b>	<b>(109)</b>	<b>(30)</b>	<b>(44)</b>
<b>Other Non-financial assets</b>			
Decrease (increase) in prepaid expense	(53)	44	(67)
<b>Increase in net financial assets</b>	<b>17,870</b>	<b>24,135</b>	<b>23,274</b>
<b>Net financial assets, beginning of year</b>	<b>123,322</b>	<b>123,322</b>	<b>100,048</b>
<b>Net financial assets, end of year</b>	<b>141,192</b>	<b>147,457</b>	<b>123,322</b>

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

## STATEMENT OF CASH FLOWS

(IN THOUSANDS)

For the year ended March 31	2025	2024
<b>Cash provided by (applied to):</b>		
<b>Cash Flows from Operating Activities</b>		
Annual surplus	\$ 24,121	\$ 23,385
Amortization of tangible capital assets	30	23
	<b>24,151</b>	23,408
Changes in non-cash working capital balances		
Accounts receivable	608	(1,469)
Prepaid expenses	44	(67)
Accounts payable and accrued liabilities	38	2
Accrued vacation entitlements	(18)	12
Accrued salaries and benefits	(102)	125
Employee future benefits	(39)	37
	<b>24,682</b>	22,048
<b>Cash Flows from Capital Activities</b>		
Acquisition of capital assets	(60)	(67)
Purchase of portfolio investments	(41,409)	(93,900)
	<b>(41,469)</b>	(93,967)
<b>Decrease in cash and cash equivalents</b>	<b>(16,787)</b>	(71,919)
<b>Cash and cash equivalents, beginning of year</b>	<b>\$ 26,834</b>	\$ 98,753
<b>Cash and cash equivalents, end of year</b>	<b>\$ 10,047</b>	\$ 26,834
<b>Supplementary Information</b>		
Interest received	\$ 6,440	\$ 4,020

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

# NOTES TO FINANCIAL STATEMENTS

## (IN THOUSANDS)

**For the year ended March 31, 2025**

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### **1. NATURE OF ORGANIZATION**

Effective April 1, 1999 the Lieutenant Governor in Council designated the Manitoba Securities Commission ("Commission") as a special operating agency under The Special Operating Agencies Financing Authority Act (C.C.S.M. c.S185) by Order in Council No. 144/1999. The Order also gave approval to the Special Operating Agencies Financing Authority and the Minister of Consumer and Corporate Affairs, being the Minister responsible for the Commission, at that time, to enter into a Management Agreement with respect to the Agency.

A Management Agreement between the Financing Authority and the Minister of Consumer and Corporate Affairs assigns responsibility to manage the assets transferred to the Manitoba Securities Commission in delivering regulated services to clients. The Manitoba Securities Commission subsequently came under the umbrella of the Finance Department with the Minister of Finance responsible for the Agency.

The Manitoba Financial Services Agency, a Special Operating Agency (SOA), was established as of October 1, 2012 by Order in Council. The Manitoba Securities Commission (Commission) was merged with Financial Institutions Regulation Branch (FIRB) to form The Manitoba Financial Services Agency (MFSA). The Commission and FIRB now operate as divisions of the MFSA. The Chief Administrative Officer of the MFSA is also the Chair of the Commission. The Minister of Finance continues to be responsible for the Agency.

### **2. BASIS OF ACCOUNTING**

The financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### Revenue Recognition

Revenues from transactions with performance obligation is recognized at a point in time or as the Agency satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

Fees and cost recoveries are recognized when received.

Investment income is recognized on an accrual basis, as earned.

### Expenses

- (a) All expenses incurred for goods and services are recorded on an accrual basis.
- (b) Government transfers are recognized as expenditures in the period in which the transfers are authorized and all eligibility criteria have been met.

### Financial Assets

Portfolio investments are investments that are capable of reasonably prompt liquidation and are recognized at cost.

### Liabilities

Liabilities are present obligations as a result of transactions and events occurring prior to the end of the fiscal year. The settlement of the liabilities will result in the future transfer or use of assets or other form of settlement. Liabilities are recorded at the estimated amount ultimately payable.

### Non-financial Assets

- (c) Prepaid expenses are payments for goods or services which will provide economic benefit in future periods. The prepaid amount is recognized as an expense in the year the goods or services are consumed.
- (d) Tangible capital assets are recognized at cost. Cost includes the purchase price as well as other acquisition cost. Capital assets are recorded at cost and amortized over their useful lives as follows:

Office Equipment	20% straight-line
Furniture and fixtures	20% straight-line
Leasehold improvements	10% straight-line
Computer hardware	20% straight-line
Computer software	20% straight-line

The half-year rule is used in the year of acquisition.

### Measurement Uncertainty

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.



#### 4. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments are classified into one of the two measurement categories: (a) fair value; or (b) cost or amortized cost.

The Agency records its financial assets and liabilities at cost, which include cash and cash equivalents, accounts receivable and portfolio investments. The Agency also records its financial liabilities at cost, which include accounts payable, accrued liabilities, accrued vacation entitlements, accrued salaries and benefits, and employee future benefits.

##### Financial Risk Management Overview

The Agency has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; and interest rate risk.

##### Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Agency to credit risk consist principally of cash and cash equivalents, accounts receivable, and portfolio investments.

The maximum exposure of the Agency to credit risk at March 31 is:

	2025	2024
Cash and cash equivalents	\$ 10,047	\$ 26,834
Accounts receivable	2,278	2,886
Portfolio investments	136,328	94,919
	<b>\$ 148,653</b>	<b>\$ 124,639</b>

Cash, cash equivalents and portfolio investments: The Agency is not exposed to significant credit risk as the cash and term deposits are primarily held by the Minister of Finance.

Accounts receivable: The Agency is not exposed to significant credit risk as the payment in full is typically collected when it is due. The Agency establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

Management has determined that no allowance for doubtful accounts is required as at March 31, 2025 (nil in 2024).

### Liquidity Risk

Liquidity can be defined as an organization's ability to meet its financial obligations as they come due.

The Agency manages liquidity risk by maintaining adequate cash balances and by review from the Province of Manitoba to ensure adequate funding will be received to meet the obligations.

### 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. The interest rate exposure relates to funds on deposit.

## **5. CASH AND CASH EQUIVALENTS**

The Agency invests all surplus cash in short-term deposits with the Province of Manitoba, which are made up of 2-day to 189-day callable term deposits bearing interest between 2.60% and 3.69%.

## **6. ACCOUNTS RECEIVABLE**

	2025	2024
Accrued interest	\$ 2,238	\$ 2,850
Trade	40	36
	<b>\$ 2,278</b>	<b>\$ 2,886</b>

## **7. PORTFOLIO INVESTMENTS**

Portfolio investments consist of investments held with the Province of Manitoba with maturity dates ranging from April 2, 2025 to March 30, 2026 and bearing interest between 2.56% and 4.83%.

8. EMPLOYEE FUTURE BENEFITS

Pension Benefits

Employees of the Manitoba Financial Services Agency are eligible for pension benefits in accordance with the provisions of the Civil Service Superannuation Act (CSSA), administered by the Civil Service Superannuation Board (CSSB). The CSSA established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government, including the Agency, through the Civil Service Superannuation Fund (CSSF).

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province of Manitoba the pension liability for its employees.

Commencing April 1, 2001, the Agency was required to pay to the Province an amount equal to its employees’ current pension contributions. The amount paid for 2025 was \$267 (\$238 in 2024). Under this Agreement, the Agency has no further pension liability.

Severance Benefits

Effective April 1, 1998 or the date of their creation, whichever is later; SOAs began recording accumulated severance pay benefits for their employees. The amount of their severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

An actuarial report was completed for the severance pay liability as of March 31, 2024. The report provides a formula to update the liability on an annual basis. The special operating agencies’ actuarially determined net liability for accounting purposes as at March 31, 2025 is \$530 (\$569 in 2024). The actuarial gain of \$2 based on actuarial reports is being amortized over the 15 year expected average remaining service life (EARS�) of the employee group.

Significant long-term actuarial assumptions used in the March 31, 2024 valuation, and in the determination of the March 31, 2025 present value of the accrued severance benefit obligation were:

Annual rate of return	4.25 %
Assumed salary increase rate:	
Annual productivity increase	1.00 %
Annual general salary increase	2.50 %
	3.50 %

The severance benefit liability at March 31 includes the following components:

	2025	2024
Accrued benefit liability		
Balance, beginning of year	\$ 565	\$ 598
Benefits accrued	22	23
Interest on accrued benefits	28	26
Severance paid	(87)	(82)
Balance, end of year	528	565
Less unamortized actuarial gains (losses)	2	4
Severance benefit liability	\$ 530	\$ 569

The total expenses related to severance benefits at March 31 included the following components:

	2025	2024
Interest on obligation	\$ 22	\$ 23
Current period benefit cost	28	26
Amortization of actuarial losses over EARS	(10)	(85)
Total expense related to severance benefit	\$ (40)	\$ (36)

The Agency provides sick leave benefits for employees that accumulate but do not vest. The accrued benefit obligation related to sick leave entitlement earned by employees is determined using a valuation model developed by an actuary. The Agency has not recorded an accrued sick pay benefit obligation as it has been determined to be immaterial.



## 9. TANGIBLE CAPITAL ASSETS

	2025			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Office equipment	\$ 74	\$ 58	\$ -	\$ 132
Furniture and fixtures	251	-	-	251
Leasehold improvements	230	-	-	230
Computer hardware	147	2	-	149
Computer software	877	-	-	877
	<b>1,579</b>	<b>60</b>	<b>-</b>	<b>1,639</b>
Accumulated Amortization				
Office equipment	\$ 70	\$ 7	\$ -	\$ 77
Furniture and fixtures	232	4	-	236
Leasehold improvements	95	17	-	112
Computer hardware	147	-	-	147
Computer software	873	2	-	875
	<b>1,417</b>	<b>30</b>	<b>-</b>	<b>1,447</b>
Net book value	<b>\$ 162</b>	<b>\$ 30</b>	<b>\$ -</b>	<b>\$ 192</b>

	2024			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Office equipment	\$ 71	\$ 3	\$ -	\$ 74
Furniture and fixtures	233	18	-	251
Leasehold improvements	184	46	-	230
Computer hardware	147	-	-	147
Computer software	877	-	-	877
	<b>1,512</b>	<b>67</b>	<b>-</b>	<b>1,579</b>
Accumulated Amortization				
Office equipment	\$ 68	\$ 2	\$ -	\$ 70
Furniture and fixtures	230	2	-	232
Leasehold improvements	78	17	-	95
Computer hardware	146	1	-	147
Computer software	872	1	-	873
	<b>1,394</b>	<b>23</b>	<b>-</b>	<b>1,417</b>
Net book value	<b>\$ 118</b>	<b>\$ 44</b>	<b>\$ -</b>	<b>\$ 162</b>

## **10. DESIGNATED ASSETS**

Designated assets are distinct from restricted assets. Unlike restricted assets, the Agency or the Government can readily change its by-law or resolution and use the designated assets for another purpose if the need arises. The Agency has allocated \$1,019 (\$1,019 in 2024) of its portfolio investments as designated assets for the following purposes:

The Agency maintains separate deposits of \$750 (\$750 in 2024) to fund expenses which may arise with respect to its reserve fund. The Reserve Fund was established to finance extraordinary expenses for isolated and unanticipated purposes that are regulatory in nature and for changes in market activity that have a negative effect on revenues. The investment bears interest at 2.56% with a maturity date of March 30, 2026.

The Agency has received \$269 (\$269 in 2024) of cash from the Province of Manitoba for the purpose of settling certain of its vacation and severance liabilities in the future. This amount is held in an interest bearing account until the cash is required to discharge the related liabilities. The principal of this note is re-invested annually and the interest is re-invested into a separate short-term deposit. The investment bears interest at 2.56% with a maturity date of March 30, 2026.

## **11. COMMITMENTS**

The Agency has entered into a lease agreement as of December 31, 2013, which includes rental of the 5th floor and 207 - 400 St. Mary Avenue that expires April 30, 2026.

Minimum annual lease payments for this agreement totals \$614 per year for each of the next three years.



# AGENCY STATISTICS

FOR THE YEAR ENDED MARCH 31, 2025



## SECURITIES STATISTICS

	2024/2025	2023/2024	2022/2023
Registrations Under <i>The Securities Act</i>	<b>26,680</b>	26,107	25,614
Registrations Under <i>The Commodity Futures Act</i>	<b>390</b>	382	384
Prospectuses Filed	<b>620</b>	592	582
Issuers Included in Prospectuses	<b>4,705</b>	4,582	4,564
Classes of Securities Included	<b>15,280</b>	15,430	20,376
Amendments and Supplements	<b>10,830</b>	6,765	5,457
Issuers Included	<b>11,246</b>	6,949	6,213
Classes of Securities Included	<b>11,522</b>	7,157	6,299
Rights Offerings	<b>11</b>	7	10
45-106FI Capital Raising Forms*	<b>1,989</b>	2,080	1,948
Offering Memorandums	<b>132</b>	86	67
Annual Financial Statements	<b>5,872</b>	5,764	5,532
Annual Information Forms	<b>1,144</b>	1,167	1,181
Issuers Made Active (opened)	<b>368</b>	332	363
Issuers Made Inactive (closed)	<b>245</b>	334	219
Reporting Issuers Under <i>The Securities Act</i>	<b>6,542</b>	6,437	6,456
Takeover Bids and Issuer Bids	<b>22</b>	15	23
Exemptions Orders	<b>18</b>	21	13
Investigation Orders	<b>5</b>	5	2
Financial Reporting Orders	<b>7</b>	7	11
Cease Trade Orders**	<b>3</b>	1	0
Miscellaneous Orders	<b>0</b>	0	1
Notices of Hearing Issued	<b>2</b>	4	2
Statements of Allegations Issued	<b>2</b>	4	2
Enforcement Orders Filed	<b>2</b>	3	2
Settlement Agreements Completed	<b>2</b>	3	1
Decision Documents Published	<b>3</b>	7	3
Completed Provincial Court Hearings	<b>3</b>	1	0
Pending Provincial Court Hearings	<b>0</b>	0	1
Completed King's Bench Hearings	<b>0</b>	0	0
Pending King's Bench Hearings	<b>0</b>	1	0
<b>Complaints and Inquiries</b>			
General Investigation and Enforcement	<b>369</b>	245	293
Formal Investigation Files Opened	<b>32</b>	31	12

\* This form is required to be filed with the Commission and sets out information about the business raising the capital as well as the capital raised during the offering.

\*\* Cease trade orders include both permanent and temporary orders.

## REAL ESTATE STATISTICS

	2024/2025	2023/2024	2022/2023
<b>Registrations</b>			
Registrations Under The Real Estate Services Act	2,890	2,812	2,806
Registrations Under The Mortgage Brokers Act	564	525	512
<b>Education</b>			
Salesperson Pre-Licensing Education Enrolments*	465	476	520
Broker Pre-Licensing Education Enrolments	23	30	17
Re-Licensing Education Completions	2,509	2,531	2,324
<b>Financial Filings and Compliance Audits</b>			
Registered Brokerage Reports Reviewed	416	430	416
Final Close-Out Reports Reviewed	9	19	17
Brokerages Suspended for Failure to File	11	3	14
<b>Investigations and Enforcement</b>			
General Investigations and Inquiries*	175	165	257
Formal Investigations*	9	7	6
Complaints Resulting in Warning/Reprimand/Action**	10	2	15
<b>Interest Earned on Brokerage Trust Accounts (In Thousands)</b>			
Balance Forwarded at April 1, 2024	\$2,900	\$976	\$237
Interest Earned During Fiscal Year	\$1,600	\$1,924	\$739
Total	\$4,500	\$2,900	\$976
<b>Unclaimed Trust Account Funds (In Thousands)</b>			
Balance Forwarded at April 1, 2024	\$57	\$43	\$32
Received During the Fiscal Year	\$2	\$14	\$11
Total	\$59	\$57	\$43

\* Previously listed as "New Model Pre-Licensing Education Enrolments"

\*\* In prior reporting years, formal investigations were grouped with general complaints.



## FIRB STATISTICS

	2024/2025	2023/2024	2022/2023
<b>Insurance Sector</b>			
Number of Licensed Insurers – Federal	159	161	164
Number of Licensed Insurers – Provincial	45	47	48
Special Insurance Broker Licenses	13	10	10
Complaint Files Opened	46	48	39
Complaint Files Closed	32	46	39
Complaint Files in Progress	31	17	15
<b>Insurance Council of Manitoba</b>			
Examinations for Agents, Brokers and Adjusters	4,170	4,297	3,946
Pass Rate	67%	65%	79%
Successful Applications	2,799	2,801	3,099
Agent, Broker and Adjuster Licenses Issued	28,819	28,551	26,127
Complaint Files Against Agents/Brokers/Adjusters			
Opened	69	32	22
Closed	63	17	19
Presented to Council for Decision	4	6	5
Appealed Decisions	–	–	–
In Progress	47	41	26
<b>Credit Union Sector</b>			
Credit Unions in Manitoba	15	16	18
<i>Caisses Populaires</i> in Manitoba	–	1	1
Combined Assets (Billions)	\$46	\$43.6	\$42.3
Member Deposits (Billions)	\$41	\$38.9	\$37.9
Member Equity (Billions)	\$3	\$3	\$2.8
<b>Trust and Loan Corporations</b>			
Federal	52	50	50
Extra-Provincial	4	4	4
<b>Co-operatives Sector*</b>			
Securities Offering Documents Approved	1	–	1
Housing Cooperative Appeals	6	5	5

\* In 2020, the Cooperatives Registry was transferred to the Companies Office.

## PERFORMANCE REPORTING

The MFSA's Planning Process is set out in:

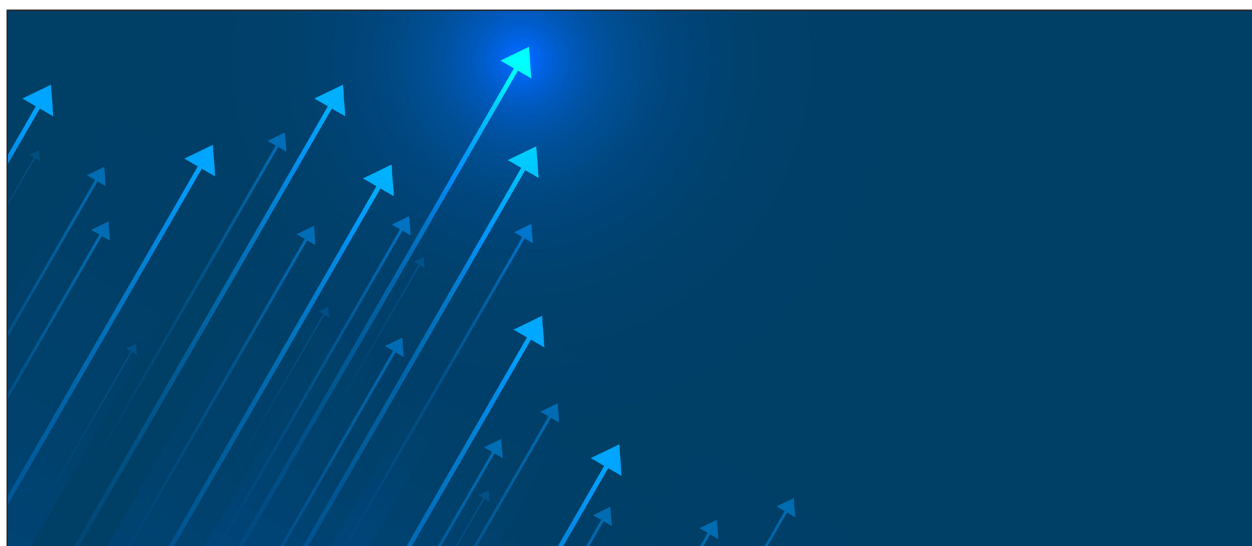
- A multi-year Strategic Plan that notes the main challenges to the organization and maps out strategies to respond.
- An annual Business Plan that establishes the year's roadmap for implementing the strategic plan and developing the MFSA's operational budget.

The current Strategic Plan covers the period from 2022 to 2025 and identifies four key challenges: responding to global developments, enhancing investor protection, addressing local issues and monitoring emerging trends. The Strategic Plan sets out four strategic goals to pursue to address these challenges:

- Enhancing investor/consumer protection
- Enhancing the regulatory framework
- Continuing regulatory harmonization with other jurisdictions where appropriate
- Improving efficiency in operations

Specific actions are set out under each of the goals to advance the Strategic Plan. Progress towards the completion of the items is monitored and adjustments made as required.

As in previous years, MFSA has generally met the performance goals set. In the few areas where goals were not met during the fiscal year, valid reasons were given and the goals were re-evaluated for completion during the subsequent period.



## SERVICE STANDARDS

MFSA service standards include standards set by the MSC and the CSA.

MSC service standards include reviewing applications for exemptive relief from legislative requirements within six weeks.

With respect to administrative hearings, the standard is to deliver decisions within six weeks on administrative hearings lasting less than five days.

CSA service standards include issuing comment letters for prospectus filings within Passport guidelines.

When reviewing prospectuses as the principal regulator, staff ensure all Passport guidelines for reviewing and commenting on prospectuses as well as amendments to prospectuses, are met.

MFSA service standards include the development and delivery of programs and resources for public and investment industry use. The Agency's standard response time is 24 to 48 hours for media inquiries or other information requests.



# THE PUBLIC INTEREST DISCLOSURE ACT

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters of wrongdoing in the Manitoba public service, and strengthens protections from reprisal. The Act builds on protections already in place under other statutes as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be:

- contravention of federal or provincial legislation,
- an act or omission that endangers public safety, public health or the environment,
- gross mismanagement,
- knowingly directing or counselling a person to commit a wrongdoing.

The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith in accordance with the Act and with a reasonable belief that wrongdoing has been, or is about to be committed, is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing.

All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by the MFSA for the fiscal year 2024/25. (Information required annual, as per Section 18 of the Act)

Number of disclosures received, and the number acted on and not acted on.  
(Subsection 18(2)(a)) -- NIL

Number of investigations commenced as a result of a disclosure.  
(Subsection 18(2)(b)) -- NIL

In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken.  
(Subsection 18(2)(c)) -- NIL



## **MFSA STATUTES**

The Agency administers the following Acts  
of the Consolidated Statutes of Manitoba

*The Securities Act, C.C.S.M. c.S50*

*The Commodity Futures Act, C.C.S.M. c. C152*

*The Real Estate Services Act, C.C.S.M. c. R21*

*The Mortgage Brokers Act, C.C.S.M. c. M210*

*The Insurance Act, C.C.S.M. c. 140*

*The Credit Unions and Caisses Populaires Act, C.C.S.M. c. C301*

*The Corporations Act, C.C.S.M. c. C225, Part XXIV*





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