



NEWFOUNDLAND & LABRADOR
PHARMACY BOARD

2020

Annual Report



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The Newfoundland and Labrador Pharmacy Board is mandated to promote and protect the health and well-being of the people of the province by governing the pharmacy profession and advancing excellence in pharmacy practice. We fulfill our mandate through our four lines of business: registration and licensing, quality assurance, professional practice, and complaints and discipline.

Vision

Advancing pharmacy care for a safe and healthy community.

Mission

The Newfoundland and Labrador Pharmacy Board protects the people of the province by governing the profession of pharmacy to ensure quality and ethical care.

Values

The Newfoundland and Labrador Pharmacy Board's activities and decisions are based on the following core values:



Message from the Chair and Registrar

It is during times of crisis that what is essential to our communities comes into focus; and that was certainly true of the pharmacy profession in 2020.

It is with pleasure that we present the 2020 Annual Report on behalf of the Newfoundland and Labrador Pharmacy Board (NLPB). This report showcases our achievements and highlights the challenges we have overcome during this unprecedented year.

The year began with a state of emergency that brought closures across the Avalon region of the province. NLPB worked diligently to ensure that essential pharmacy services would be available during the crisis, including liaising with federal, provincial, and municipal stakeholders. This collaboration resulted in the re-opening of community pharmacies and a Subsection 56(1) class exemption for pharmacists prescribing and providing controlled substances in NL during the state of emergency, enabling pharmacists to prescribe emergency supplies of maintenance-controlled substances. Throughout the state of emergency, pharmacy professionals in the region went above and beyond to service the public and ensure patient safety.

Yet, unbeknownst to us, the 8-day state of emergency was preparing us for the next crisis on the horizon. The COVID-19 pandemic landed in our

province in mid-March and brought with it extraordinary challenges to the provincial healthcare system. These challenges required pharmacy professionals to adapt their services and delivery models to continue to meet the needs of Newfoundlanders and Labradorians. As such, NLPB was challenged to provide the frameworks and supports needed to enable that shift to occur.

As businesses and services shut down, demand for pharmacy services increased. As such, to protect the public's health interest, NLPB instituted a 30-day medication supply policy to avoid medication shortages. With this decision came challenges to the public and pharmacy professionals, but it was necessary to ensure equal access to medication for all. As a result of nationwide efforts to protect the drug supply, medication inventories stabilized and NLPB was able to ease back this temporary measure in less than two months of it being issued.

NLPB has continued to provide guidance to pharmacy professionals during the pandemic, working with federal and provincial governments to address legal barriers and adapt standards of practice, including extending the Subsection 56(1) class exemption for patients, practitioners, and pharmacists prescribing and providing controlled substances in Canada during the coronavirus pandemic.

Addressing these challenges has served to highlight the essential role of pharmacy services in patient care and the importance of pharmacy professionals practicing to top-of-scope. This became even more evident during the seasonal

influenza vaccine campaign this past fall, which saw the role of community pharmacies expanded. In fact, nearly 40% of all influenza vaccines administered in the province were dispensed in pharmacies.

While adapting to the unique circumstances brought on by the pandemic, NLPB continued to attend to its lines of business of professional practice, quality assurance, complaints and discipline, and registration and licensing, to fulfill its obligation to public protection.

Following an internal and jurisdictional review, revisions were made to the NLPB Code of Ethics for Pharmacists and Pharmacy Technicians. The revisions included adjustments to several Guidelines for Application to fill information gaps and clarify sections identified as confusing or ambiguous. In addition, several Standards of Practice were reviewed and revised as part of NLPB's document review cycle and Guidance documents were developed.

Additional support was added this year for both the Professional Practice and Quality Assurance portfolios, as the part-time Practice Site Assessor (Community) staff position was changed to a full-time position responsible not only for community pharmacy assessments but also for addressing practice-related queries from pharmacy professionals and participating in other quality assurance and pharmacy practice initiatives.

As for our complaints and discipline and registration and licensing portfolios, the year was busy as usual. We were pleased to

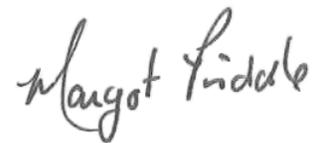
have successfully implemented emergency registration provisions, which allowed 23 pharmacy graduates to register with NLPB. These provisions helped bridge workforce shortages that would have otherwise resulted during the pandemic. Additional statistics pertaining to these portfolios will be presented further in this report.

In 2020, healthcare faced many new challenges, but we are pleased that both NLPB and our registrants were able to rise to those challenges and adapt to best serve the needs of the public. The accessibility of pharmacy professionals has been key to providing quality patient care during this time and will continue to play an integral role in the advancement of the provincial healthcare system in the years to come.

Sincerely,



Gerri Thompson, Chair



Margot Priddle, Registrar





The board of directors is comprised of seven elected pharmacists, one elected pharmacy technician, two board-appointed public representatives, two government-appointed representatives, and the Dean of the Memorial University School of Pharmacy.

The board's primary goal is to ensure the interests of the public are protected and maintained. The board is the policy-making group, providing leadership and guidance for the profession in delivering pharmacy services to the public.

Elected Members

ZONE 1 PHARMACIST	Keith Bailey
ZONE 2 PHARMACIST	Jason Ryan
ZONE 3 PHARMACIST	Jennifer Godsell
ZONE 4 PHARMACIST	Henry White
ZONE 5 HOSPITAL PHARMACIST	Nicole MacDonald
ZONE 6 PHARMACY TECHNICIAN	Jillian Thorne
ZONE 7 AT-LARGE PHARMACISTS	Timothy Buchanan Taggart Norris

Public Representatives

BOARD-APPOINTED	Shirlene Murphy Mark Sheppard
GOVERNMENT-APPOINTED	Christopher Smith Gerri Thompson

Memorial University School of Pharmacy

DEAN	Shawn Budgen
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Meet our New Board Members



Nicole MacDonald
ZONE 5 HOSPITAL PHARMACIST

Nicole is the Systemic Therapy Manager of Pharmacy Services at Eastern Health, overseeing oncology funding in NL for the Provincial Cancer Care Program and Regional Medicine Program. She represents the province on the Provincial Advisory Group for the pan-Canadian Oncology Drug Review as well as the pan-Canadian Pharmaceutical Alliance. Previously, Nicole worked as a clinical oncology pharmacist at the Health Sciences Centre in St. John's. She completed her Bachelor of Pharmacy at Memorial University followed by an accredited hospital residency in New Brunswick. Recently, she obtained her Doctor of Pharmacy from the University of Toronto.

Nicole is focused on improving pharmacy practice, notably leading a best possible medication history project during her residency that achieved Accreditation Canada standards for patient safety and obtained national recognition with CSHP. She has previously been involved with CSHP as an advocacy representative and is currently an education task-force member with CAPHO. She is committed to the vision and mission of the Board and will strive for quality and ethical care for patients.



Jillian Thorne
ZONE 6 PHARMACY TECHNICIAN

Jillian Thorne became a Registered Pharmacy Technician in January 2016 through bridging education programs. She is currently employed with Lawtons Drugs in Gander, where she is involved with servicing Personal Care Homes. Jillian sits as chair of the Program Advisory Committee with Keyin College in Grand Falls-Windsor. Prior to her election to the board, Jillian served as a member of the Professional Development Committee with NLPB. By serving with the Board, Jillian hopes to help advance the role of Registered Pharmacy Technicians to support and work together with Pharmacists to advance pharmacy care for a more safe & healthy community.



Tim Buchanan
ZONE 7 AT-LARGE PHARMACIST

Tim Buchanan currently lives in Grand Falls-Windsor with his fiancé, 2 dogs and a cat, where he works as a pharmacist at Loblaw Pharmacy. Tim was born and raised in Springdale and graduated from the School of Pharmacy at Memorial University in 2012. He began his career with Shoppers Drug Mart in Thunder Bay, ON, where he worked for nearly 5 years before returning to Newfoundland and Labrador permanently in 2017 and began working at Shoppers Drug Mart in Gander. After 2 years, he relocated to Loblaws in Grand Falls-Windsor where his fiancé recently began practicing as a family physician.

Throughout his career, he has been involved in many initiatives and have always embraced expanded scope of practice. He is passionate in regard to smoking cessation counseling and has been performing injections and immunizations since 2012, always approaching any new practice opportunities with a sense of enthusiasm. He believes self-regulation is a privilege that must be respected and is proud to play his part in the future of the pharmacy profession in Newfoundland and Labrador.

Statutory and standing committees support the work of the Newfoundland and Labrador Pharmacy Board (NLPB). Committees are comprised of elected members, public appointments, and registrant volunteers.

Executive Committee

CHAIR	Gerri Thompson
VICE CHAIR	Taggarty Norris
EXECUTIVE MEMBER	Henry White
PAST CHAIR	Colleen Squires (ex officio)

Complaints Authorization Committee

Responsible for reviewing allegations relating to the professional practice of registrants referred by the Registrar.

Current Board Members

Disciplinary Panel

Responsible for considering complaints referred by the Complaints Authorization Committee.

CHAIR	Denise O'Brien
PUBLIC REPS	Ron Sheppard Robert Williams Yvonne Young
OTHER MEMBERS	Mike Batt Sheldon Baines Barry Downey Walter Fleming Jeff Fost Kristina Myers Sandi Osmond Heather Seeley Debi Snow Wanda Spurrell Deep Upadhyay Sarah Way

Finance and Audit Committee

Responsible for overseeing, reviewing, developing recommendations, and advising the Board and Registrar on the financial operation of the NLPB.

CHAIR	Taggarty Norris
MEMBERS	Nicole MacDonald Shirlene Murphy Mark Sheppard Colleen Squires Gerri Thompson

Joint Committee on Structured Practice Experience

Makes recommendations to NLPB and the Council of the School of Pharmacy on all matters pertaining to the structured practice experience program.

MEMBERS (BOARD REPS)	Pamela Carter Ray Gulliver Evelena Verge
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Pharmacy Practice Advisory Committee

Assists the Board in meeting its goals of protecting the public and ensuring quality and ethical care, by advising on current or new standards related to registrants' scope of practice.

CHAIR	Gerri Thompson
CPSNL	Oscar Howell
CRNNL	Rolanda Lavallee
CSHP-NL	Chelsea Rowe
DHCS	Jamie O'Dea
MUN	Debbie Kelly
PANL	Tiffany Lee
OTHER	Katrina Drover
MEMBERS	Brittany Fitzgerald Jennifer Godsell Andrea Woodland

Quality Assurance Committee

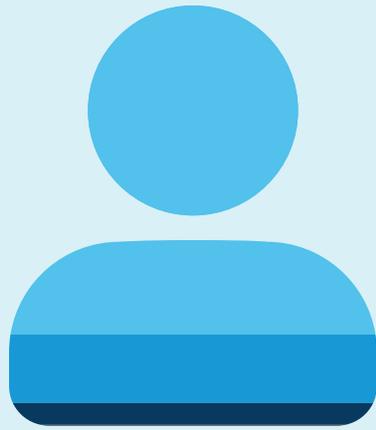
Investigates concerns related to quality assurance issues in pharmacy practice that have been referred by the Registrar, the Complaints Authorization Committee, or one that the committee itself has recognized.

MEMBERS	Susan Gladney-Martin Helen McInally Karen Mercer Kelda Newport Linda Power Andrew Sweetapple
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Professional Development Review Committee

Responsible for supporting and advising on continuing education and professional development programs for registrants.

CHAIR	Deep Upadhyay
MEMBERS	Lois Battcock Shawn Budgen Amy Clarke Scott Dawe Renee Harris John Hawboldt Debbie Kelly Derek Long Jody Pomeroy Stefan Rideout Jason Ryan Colleen Squires Jillian Thorne



735 Pharmacists

Change since 2019

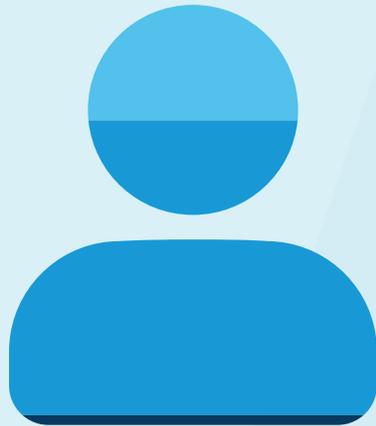
↑ 1

- 577 Community
- 120 Hospital
- 38 Administrative

↑ 4

↓ 2

↓ 1



206 Pharmacy Technicians

↑ 8

- 57 Community
- 144 Hospital
- 5 Other

↑ 2

↑ 6

— 0



215 Pharmacies

↓ 3

- 198 Community
- 17 Hospital

↓ 3

— 0

Pharmacy Openings:

No new pharmacy openings in 2020

Pharmacy Closures:

City Centre Pharmacy, St. John's
The Medicine Shoppe, Clarendville
South Coast Dispensary, Forteau

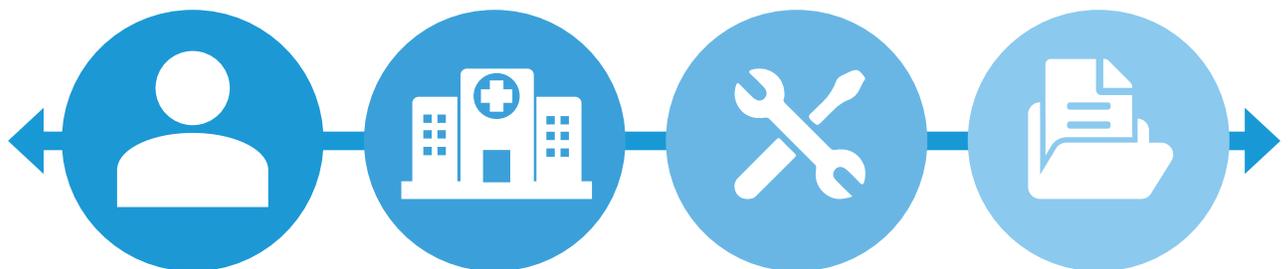
Registrants or Former Registrants, Deceased

Maxwell Kennedy—Reg No. 57-258, January 23, 2020
Clarence Joseph Jackman—Reg No. 53-109, March 1, 2020
Sean Funk—Reg No. 93-699, June 6, 2020
Cyril Daley—Reg No. 66-211, September 25, 2020

Quality Assurance Program Overview

The Newfoundland and Labrador Pharmacy Board (NLPB) Quality Assurance (QA) continuum guides the program's development and ongoing activities. The program is multi-dimensional and supports registrants in meeting the standards for safe and quality pharmacy practice.

Quality Assurance Continuum



REGISTRANT

PRACTICE SITE

SUPPORT TOOLS

LEGISLATIVE AND
REGULATORY SUPPORT

REGISTRANT

- Oversight of professional development requirements for pharmacists and pharmacy technicians (including the annual professional development audit)
- Audits of self-declarations that are required for registration renewal, based on legislation and applicable standards of practice

PRACTICE SITE

- Community pharmacy assessments
- Hospital pharmacy assessments

SUPPORT TOOLS

- Self-assessments
- Documentation templates
- Orientation programs

LEGISLATIVE/REGULATORY SUPPORT

- Legislation, standards, and guidelines that support safe and quality pharmacy practice

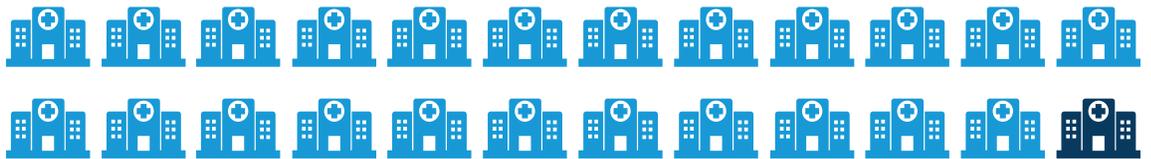
Practice Site Assessments

The Newfoundland and Labrador Pharmacy Board (NLPB) conducts various types of practice site assessments to support registrants in meeting operational and practice standards including pre-opening assessments for newly constructed pharmacies, renovation assessments, and routine practice site assessments. The goal of these assessments is to help the pharmacist-in-charge (PIC) identify standards that are not being met and to share information about best practices to promote quality improvement.

The practice site assessment process involves direct communication with a PIC regarding the regulatory standards applicable to their site, including a review of documentation processes for dispensing medication and providing patient care. The PIC completes a self-assessment and then NLPB site assessors complete an onsite assessment.

In 2020, restrictions due to the COVID-19 pandemic limited NLPB’s ability to conduct practice site assessments and also caused many applicants to delay planned renovations and relocations. As a result, NLPB revised the practice site assessment process to reduce the time that pharmacy assessors were physically on site. Onsite assessments were substituted with reviews of submitted documents and photographs of the site and telephone or virtual meetings with PICs.

24 Assessments Conducted ■ **23 Community**
 ■ **1 Hospital**



COMMUNITY PHARMACIES

Key areas of focus for community pharmacy assessments:

- PICs understanding of regulatory duties
- Safety and security of the pharmacy
- Documentation processes for dispensing activities, clinical services, and patient counselling
- Implementation of non-sterile compounding standards
- Accessibility of opiod agonist maintenance treatment

HOSPITAL PHARMACIES

The first phase of the NLPB hospital pharmacy practice site assessment program, which re-launched in 2019, involved a baseline assessment of each hospital pharmacy in the province. All baseline assessments were completed by early 2020.

Restrictions due to the COVID-19 pandemic prevented assessors from visiting Regional Health Authorities, halting further hospital pharmacy practice site assessments for the year. However, through regularly scheduled virtual meetings and practice consultations conducted upon request, NLPB assessors have continued to support the implementation of NLPB standards of practice, including sterile and non-sterile compounding standards. Onsite assessments will resume when circumstances dictate it is safe to do so.

Professional Development Audit

To promote continuing competence, all pharmacy professionals in Newfoundland and Labrador are mandated to engage in professional development. In accordance with section 52 of the *Pharmacy Act, 2012*, NLPB is responsible for ensuring pharmacists and pharmacy technicians:

- Complete a minimum of 15 continuing education units per calendar year of which at least half shall be from accredited programs;
- Submit a professional development log containing information required by the board; and
- Maintain a learning portfolio that contains the information required by the board.

Each year, 10% of registrants are randomly selected to have their previous year's learning portfolios audited by the Professional Development (PD) Review Committee. Registrants may also be re-audited based on results from the previous year, or be identified for audit through other Quality Assurance processes.



A total of 98 registrants were selected to participate in the 2020 PD audit. Of the 78 pharmacists audited, 73 were randomly selected and 5 were re-audited based on 2019 results. Of the 20 pharmacy technicians audited, 17 were randomly selected and 3 were re-audited based on 2019 results. A total of 19 registrants were found non-compliant upon first review.

Reasons for non-compliance on first review

- Incorrect credit assignment for non-accredited learning activities
- Missing supporting documentation
- Incomplete documentation in the learning portfolio (learning objectives, take-home messages, and relevance to practice)

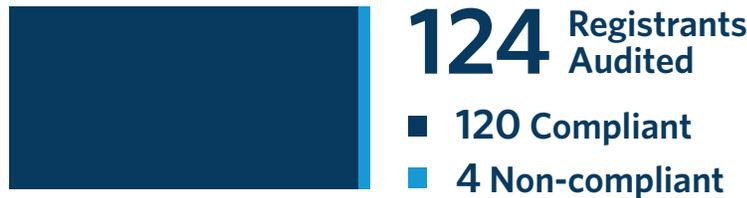
All registrants who are deemed to be non-compliant with professional development requirements are required to correct deficiencies. Any registrants who were unsuccessful in the first review corrected the identified issues and were successful upon second review.

Self-Declaration Audits

The Newfoundland and Labrador Pharmacy Board (NLPB) has been conducting self-declaration audits since 2015 to assure the public that pharmacy professionals are upholding their ethical and legal obligations to practice in Newfoundland and Labrador. Each year during registration renewal, registrants are asked to affirm their compliance with registration requirements. Self-declaration audits are conducted on an annual or rotating basis and may include: liability insurance audit, practice hours audit, and First Aid/CPR audit.

Professional Liability Insurance Audit

Due to the risk to the public that exists if registrants practice without required insurance, NLPB conducts professional liability insurance (PLI) audits annually. Approximately 10% of registrants were audited for professional liability insurance coverage, including students, interns, pharmacists, and pharmacy technicians.



Reasons for non-compliance



Of those registrants found non-compliant, one registrant was referred for disciplinary action in the form of an undertaking.

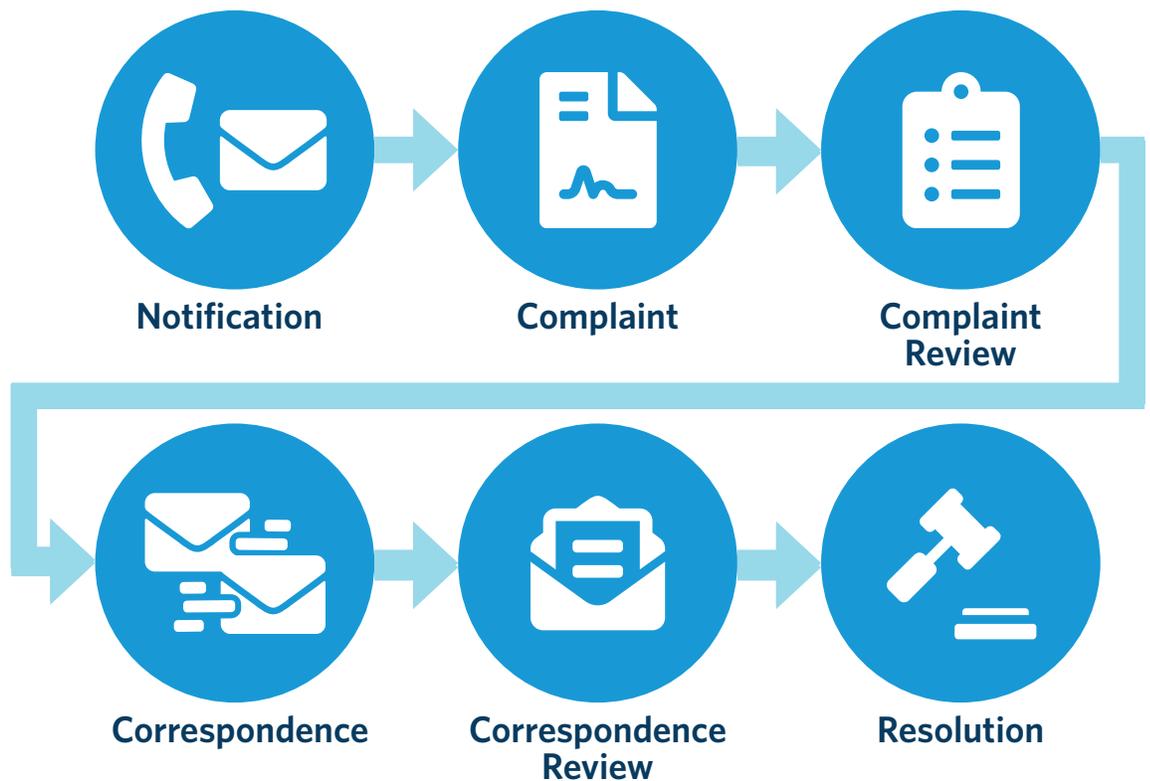
The 2020 PLI audit also identified 21 registrants who did not provide the required insurance certificate when they renewed their annual registration, but had the required insurance coverage. These registrants were deemed compliant but advised to ensure appropriate insurance documentation is submitted in the future.

Complaints and Discipline Process

The Newfoundland and Labrador Pharmacy Board (NLPB) complaints and discipline portfolio is responsible for receiving any concerns raised relating to the practice of a registrant and addressing circumstances in which it is alleged that a registrant has engaged in conduct deserving of sanction. Conduct deserving of sanction may occur when a registrant violates any legislation, bylaws, standards, or ethical provisions with which they are required to comply.

The complaints and discipline process is initiated upon receipt of an allegation. All complaints must be filed by the complainant in writing. Upon receipt of the written complaint, the allegation is processed and reviewed. NLPB will initiate correspondence with both the complainant and respondent, review all correspondence received, and propose a path to resolution.

An allegation may be resolved by the Registrar through Alternative Dispute Resolution (ADR) or may be referred to the Complaints Authorization Committee (CAC) for review. If the CAC does not resolve the matter, it is referred to an Adjudication Tribunal for a hearing.

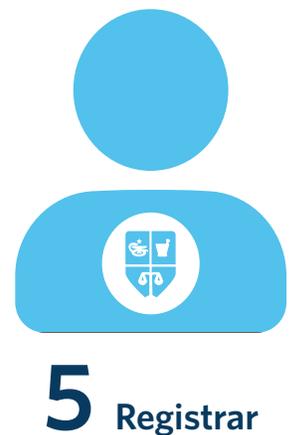
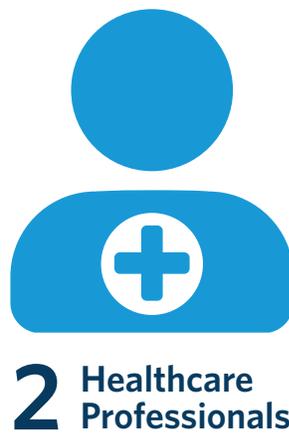
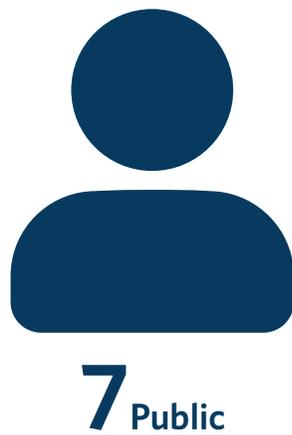


2020 Allegations

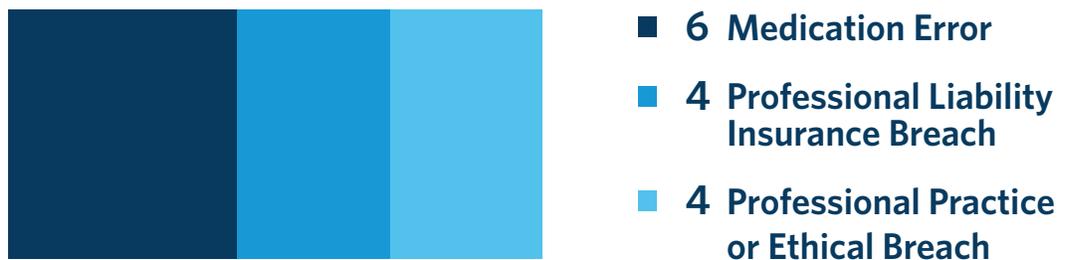


An allegation that a registrant has engaged in conduct deserving sanction can come from a member of the public, another registrant or healthcare professional, or from the Registrar. Registrants and other healthcare professionals have a duty to report knowledge they have concerning potential conduct deserving of sanction on the part of another registrant.

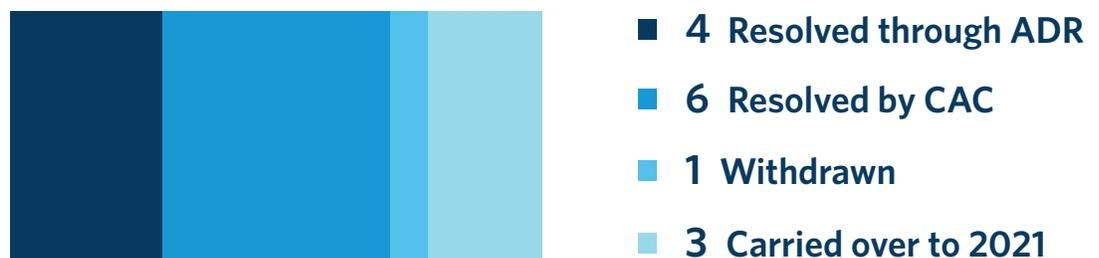
Sources of 2020 Allegations



Issues Raised in 2020 Allegations



Resolution of 2020 Allegations



1.0

Call to Order and Introduction of Board

The 110th Annual General Meeting (AGM) was held virtually through Zoom and called to order at 12:45PM on August 14, 2020. All registrants were given access information to join the meeting online if they so chose.

NLPB Registrants in Attendance

Keith Bailey	Melanie Healey	Jason Ryan
Timothy Buchanan	Nicole MacDonald	Colleen Squires
Shawn Budgen	Taggart Norris	Henry White
Jennifer Godsell	Noelle Patten	
Megan Gulliver	Margot Priddle	

Board Members

PRESENT

ZONE 1

Keith Bailey

ZONE 2

Jason Ryan

ZONE 3

Jennifer Godsell

ZONE 4

Henry White

ZONE 6

Colleen Squires

ZONE 7

Taggart Norris

PUBLIC REPRESENTATIVES

Shirlene Murphy

Gerri Thompson

MUN SCHOOL OF PHARMACY DEAN

Shawn Budgen

REGRETS

ZONE 5

Brittany Churchill

ZONE 7

Chad Parsons

PUBLIC REPRESENTATIVES

Ruby Chaytor

Mark Sheppard

Staff

REGISTRAR

Margot Priddle

ASSOCIATE REGISTRAR, PROFESSIONAL PRACTICE

Melanie Healey

ASSOCIATE REGISTRAR, QUALITY ASSURANCE

Noelle Patten

OFFICE ADMINISTRATOR (LEAVE REPLACEMENT)

Sonya Doran

COMPLAINTS AND QUALITY ASSURANCE OFFICER

Gayle Johnson

REGISTRATION AND LICENSING ADMINISTRATOR

Aileen O'Keefe

2.0 Approval of the Agenda

MOVED by Colleen Squires, seconded by Shawn Budgen to adopt the agenda as presented. **CARRIED**

3.0 Highlights of 2019 Annual Report

Chair Gerri Thompson asked Registrar Margot Priddle to present the 2019 Annual Report.

The 2019 Annual Report can be viewed online at <https://nlpb.ca/media/NLPB-Annual-Report-2019.pdf>.

The annual report presents information to reflect NLPB's fiscal year of January 1 to December 31.

Ms. Priddle took a few moments to highlight particular areas of the report related to Registration and Licensing, Quality Assurance, and Complaints and Discipline.

4.0 Appointment of Auditor for 2020

The *Pharmacy Act, 2012* requires that an auditor be appointed at the Annual General Meeting each year to audit the accounts of the Board for the coming year.

MOVED by Jason Ryan, seconded by Taggart Norris that Harris Ryan Accountants be appointed as Board auditors for 2020. **CARRIED**

5.0 Adjournment

The meeting was adjourned at 12:54PM by Colleen Squires, seconded by Shirlene Murphy.



Financial Statements
Year Ended December 31
2020

INDEPENDENT AUDITOR'S REPORT

To the Directors of Newfoundland and Labrador Pharmacy Board

Opinion

We have audited the financial statements of Newfoundland and Labrador Pharmacy Board (the board), which comprise the statement of financial position as at December 31, 2020, and the statements of changes in net assets, revenues and expenditures 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 board as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 board in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the board'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 board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the board'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.

(continues)

Independent Auditor's Report to the Directors of Newfoundland and Labrador Pharmacy Board
(continued)

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 board'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 board'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 board 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.



St. John's, Newfoundland and Labrador
May 11, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Statement of Financial Position

December 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 1,958,184	\$ 1,920,619
Guaranteed investment certificates	408,092	361,367
Accounts receivable	3,446	28,375
Prepaid expenses	7,220	10,549
Due from Apothecary Hall Trust (Note 8)	1,098	-
	2,378,040	2,320,910
CAPITAL ASSETS (Note 3)	249,934	267,989
GUARANTEED INVESTMENT CERTIFICATES	216,105	154,337
	\$ 2,844,079	\$ 2,743,236
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable (Note 4)	\$ 57,150	\$ 62,691
Harmonized sales tax payable	160,197	163,280
Employee deductions payable	24,503	14,906
Fees and licenses collected in advance (Note 5)	1,177,637	1,165,048
Vacation payable	30,383	26,137
Severance pay liability	62,727	36,615
	1,512,597	1,468,677
NET ASSETS		
Invested in capital assets	249,932	267,988
Internally restricted discipline legal (Note 7)	353,436	353,436
Unrestricted	728,114	653,135
	1,331,482	1,274,559
	\$ 2,844,079	\$ 2,743,236

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Statement of Changes in Net Assets

Year Ended December 31, 2020

	Invested in Capital Assets	Internally restricted Dicipline legal	Unrestricted	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 267,988	\$ 353,436	\$ 653,135	\$ 1,274,559	\$ 1,091,252
EXCESS OF REVENUES OVER EXPENSES	(28,955)	-	85,878	56,923	183,307
CAPITAL ASSETS PURCHASED	10,899	-	(10,899)	-	-
NET ASSETS - END OF YEAR	\$ 249,932	\$ 353,436	\$ 728,114	\$ 1,331,482	\$ 1,274,559

See notes to financial statements

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Statement of Revenues and Expenditures

Year Ended December 31, 2020

	2020	2019
REVENUES		
Pharmacist licenses	\$ 710,505	\$ 714,072
Business licenses	398,150	393,378
Pharmacy technicians licenses	126,442	131,808
Other	44,386	49,428
Student registration	20,768	21,352
Administering injections	6,541	4,049
Discipline recoveries	5,612	16,531
Prescribing for minor ailments	4,413	6,747
Grant revenue	-	5,930
	1,316,817	1,343,295
OTHER REVENUES		
Interest	20,667	24,231
EXPENSES		
Schedule of expenditures (<i>Schedule 1</i>)	475,999	373,928
Schedule of building expenditures (<i>Schedule 2</i>)	65,039	56,326
	541,038	430,254
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	796,446	937,272
ADMINISTRATIVE EXPENSES		
Salary replacement costs	400	4,585
Salaries and benefits	708,729	671,797
Travel expenses	25,180	62,535
Board honorarium	2,000	2,000
Miscellaneous	3,214	13,048
	739,523	753,965
EXCESS OF REVENUES OVER EXPENSES	\$ 56,923	\$ 183,307

See notes to financial statements

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Statement of Cash Flows

Year Ended December 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 56,923	\$ 183,307
Item not affecting cash:		
Amortization of capital assets	28,953	22,328
	85,876	205,635
Changes in non-cash working capital:		
Accounts receivable	24,929	(13,820)
Accounts payable	(5,545)	(6,505)
Fees and licenses collected in advance	12,589	3,049
Prepaid expenses	3,329	(3,138)
Harmonized sales tax payable	(3,083)	(5,405)
Employee deductions payable	9,597	4,009
Vacation payable	4,246	26,240
Severance pay liability	26,112	5,037
	72,174	9,467
Cash flow from operating activities	158,050	215,102
INVESTING ACTIVITIES		
Purchase of capital assets	(10,899)	(85,467)
Purchase of short term investments	(108,488)	(3,555)
Cash flow used by investing activities	(119,387)	(89,022)
FINANCING ACTIVITY		
Advances from (to) related parties	(1,098)	7,667
INCREASE IN CASH FLOW	37,565	133,747
Cash - beginning of year	1,920,619	1,786,872
CASH - END OF YEAR	\$ 1,958,184	\$ 1,920,619
CASH CONSISTS OF:		
Petty Cash	\$ -	\$ 100
Cash held by Martek	1,998	-
Royal Bank of Canada - Operating	75,009	57,084
Royal Bank of Canada - Savings	1,881,176	1,863,435
	\$ 1,958,183	\$ 1,920,619

See notes to financial statements

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Notes to Financial Statements

Year Ended December 31, 2020

1. PURPOSE OF THE BOARD

The Newfoundland and Labrador Pharmacy Board (the "board") is the statutory governing and self-regulatory body for the pharmacy profession in Newfoundland and Labrador. It supports and protects the health and well-being of the public and promotes excellence in the practice of pharmacy by setting and enforcing high standards of practice, competency and ethical conduct. The board is a not-for-profit organization and as such, is not subject to either federal or provincial income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Land	non-depreciable
Buildings	4% declining balance method
Telephone equipment	20% declining balance method
Computer equipment	30% declining balance method
Furniture and fixtures	20% declining balance method

The board regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Long term investments

Long term investments consist of non-redeemable guaranteed investment certificates which are recorded at their fair value.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

Financial assets measured at amortized cost include cash, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

(continues)

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Notes to Financial Statements

Year Ended December 31, 2020

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

Revenue recognition

Fees and licenses are due in advance at November 30th of each year for the following calendar year. Fees and licenses are recognized as revenue in the year to which they apply. Student and intern registration fees as well as revenue associated with initial registration, examinations, administering injections, prescribing for minor ailments, late fees, letters of good standing and accreditation fees are recognized when received. Interest revenue is recognized as earned. Cost recoveries resulting from Discipline Committee orders are recognized only when there is an established payment agreement in place with the member and the agreement terms are current, or if, in the opinion of the Board, there is a high probability that the cost will be recovered.

Contributed services

The board and its members benefit from contributed services in the form of volunteer time for various committees. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land	\$ 26,000	\$ -	\$ 26,000	\$ 26,000
Buildings	484,937	347,856	137,081	142,793
Telephone equipment	8,141	6,912	1,229	1,536
Computer equipment	124,539	103,367	21,172	17,096
Furniture and fixtures	158,782	94,330	64,452	80,564
	<u>\$ 802,399</u>	<u>\$ 552,465</u>	<u>\$ 249,934</u>	<u>\$ 267,989</u>

4. ACCOUNTS PAYABLE

	2020	2019
Trade payables and accrued liabilities	\$ 56,455	\$ 56,898
Salaries and pension	-	5,793
	<u>\$ 56,455</u>	<u>\$ 62,691</u>

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Notes to Financial Statements

Year Ended December 31, 2020

5. FEES AND LICENSES COLLECTED IN ADVANCE

	2020	2019
Pharmacist	\$ 661,760	\$ 675,232
Business	387,860	370,250
Pharmacy Technicians	128,017	119,566
	\$ 1,177,637	\$ 1,165,048

6. COMMITMENTS

The board has entered into an agreement for the rental of office premises which includes base rent and operating costs for a 10 year period which commenced during 2019. As well, the board has commitments under a software management fee related to its In1Touch registration software, to Xerox in relation to the photocopier under operating lease and a management agreement with Martek Morgan Finch Inc. for the property at 488 Water Street.

Contractual obligation repayment schedule:

2021	\$ 177,997
2022	164,006
2023	163,506
2024	163,506
2025	165,705
Thereafter	677,244
	<u>\$ 1,511,964</u>

7. INTERNALLY RESTRICTED FUNDS

The board had previously internally restricted net assets for the Discipline Legal Fund to be used as a contingency against any exceptional litigation fees resulting from disciplinary actions. During the year further funds were transferred to the cashable GIC's being held as internally restricted for Discipline Legal. The remaining balance of \$353,436 in this fund will be reviewed annually and maintained at a level determined by the board.

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Notes to Financial Statements

Year Ended December 31, 2020

8. APOTHECARY HALL TRUST

Apothecary Hall Trust is a charitable organization controlled by the Newfoundland and Labrador Pharmacy Board. Apothecary Hall Trust was created to ensure the preservation of the profession of pharmacy in the Province of Newfoundland and Labrador through the maintenance of a Heritage Drugstore located at 488 Water Street, St. John's, Newfoundland and Labrador. The trust has a collection of antiquities and museum artifacts. The trust does not account for the collection in its records. Apothecary Hall Trust held the following assets and liabilities and generated the following revenue and expenditures:

	2020	2019
Assets	\$ 33,379	\$ 11,436
Liabilities and Net Assets	33,379	11,436
Revenues	128	3,668
Expenses	27,021	12,308

9. FINANCIAL INSTRUMENTS

The board is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the board's risk exposure and concentration as of December 31, 2020.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The board is exposed to this risk mainly in respect of its receipt of funds from its customers and accounts payable. The board monitors its cash balances and cash flow from operations to meet its requirements.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The board is mainly exposed to interest rate risk.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The board has short term investments in Guaranteed investment certificates and has no long term debt. The interest bearing investments have limited exposure to interest rate risk due to the fixed rates on these investments.

10. OTHER MATTER

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the board's operations as at the date of these financial statements.

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

Schedule of expenditures

(Schedule 1)

Year Ended December 31, 2020

	2020	2019
Rent and freehold expenses	\$ 151,881	\$ 40,787
Museum grant	40,000	17,217
Legal, discipline	31,666	14,379
Bank charges and fees	30,121	32,574
Audit and accounting	28,804	24,036
Per capita assessments	28,636	28,636
Dues, fees, and memberships	7,665	4,609
Amortization, other	23,242	16,378
Insurance	16,810	16,258
Office supplies	17,668	21,525
Telephone	13,026	11,202
Legal, other than discipline	8,377	33,250
Consulting fees	55,051	64,758
Professional development	2,664	1,861
Computer programming	19,002	17,188
Postage and courier	1,210	2,186
Conference	176	172
Relocation expenses	-	26,912
	\$ 475,999	\$ 373,928

See notes to financial statements

NEWFOUNDLAND AND LABRADOR PHARMACY BOARD**Schedule of building expenditures***(Schedule 2)***Year Ended December 31, 2020**

	2020	2019
Amortization	\$ 5,712	\$ 5,950
Management fees	6,000	-
Municipal taxes	9,957	10,667
Operating expenses	<u>43,370</u>	<u>39,709</u>
	\$ 65,039	\$ 56,326

See notes to financial statements



NEWFOUNDLAND & LABRADOR PHARMACY BOARD



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