



NEWFOUNDLAND & LABRADOR  
PHARMACY BOARD

# ANNUAL REPORT

2022

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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

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Advancing pharmacy care for a safe and healthy community.

## Mission

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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

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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 with pleasure that we present the 2022 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 the year.

NLPB has experienced much change in the past year. The summer of 2022 saw the retirement of Margot Priddle, following her 10-year tenure as Registrar, and the appointment of Noelle Patten to the position. Following this transition in leadership, plans for the re-evaluation of NLPB's strategic direction began in earnest. Recognizing the vital importance of giving pharmacy professionals a voice in the development of a strategic plan that will guide the profession forward in the best interest of the public it serves, NLPB invited feedback from registered pharmacy professionals through an online survey. Additionally, feedback was also obtained from focus groups with key partners, such as the provincial government, educators, health authorities, and advocacy groups. All of this valuable feedback was reviewed and consulted in the development of the 2023-2026 Strategic Plan. The plan is set to be finalized and actioned in 2023.

The implementation of a new registration and licensing management system began in the spring of 2022 to support and streamline NLPB's registration, licensing, quality assurance, and complaints and discipline processes. Registrant and Pharmacy Licensing portals were launched prior to the annual renewal period in the fall, during which NLPB provided resources and technical support to assist pharmacy

professionals in navigating the new system. The final phase of system implementation, which will include online applications and complaints reporting, is scheduled to be completed in 2023.

As the pharmacy profession has grown and adapted to the changing healthcare landscape over the past several years, NLPB has consistently provided the regulatory framework to ensure the best interests of the public are met. As per NLPB's document review cycle, NLPB undertook an extensive review of the Standards of Pharmacy Operation - Community Pharmacy in 2022, including striking a task force and issuing a consultation survey to all registered pharmacy professionals. The revisions were approved and published, with an implementation deadline of September 2023. For a complete list of updates, additions, or deletions to NLPB's standards, policies, guidelines, or other guidance documents, please refer to the Professional Practice section of this report.

Under the quality assurance portfolio, NLPB developed new programs and updated processes to ensure quality and safety were prioritized. To fulfill NLPB's commitment in the 2020-2022 Strategic Plan to develop and implement medication safety standards, including incident reporting processes, development began on a Continuous Quality Improvement (CQI) program. Implementation of the program, which has been named MedSTEP NL (Medication Safety Through Error Prevention), is set to begin in 2023. Also under this portfolio, NLPB adapted new processes for audits of registered pharmacy professionals based on the enhanced

capabilities of the new registration and licensing management system. These new processes allowed NLPB to conduct a thorough audit of all registered pharmacy professionals' records in 2022, rather than the review of a smaller sample of records. For details regarding any of these audits conducted for 2022, please refer to the Quality Assurance section of this report.

As for our registration, licensing, and complaints and discipline portfolios, the year was busy as usual. Additional details pertaining to each portfolio will be presented further in this report.

As NLPB continues to carry out its role in ensuring public health and safety, it is important that we also acknowledge the significant contributions that pharmacy professionals have made over the past year. They have experienced the unprecedented demands on the health system, including changing public health recommendations, ongoing drug shortages, increasing respiratory illnesses in the community, ongoing vaccination efforts, and more, and have continued to be accessible healthcare providers to meet their patients' healthcare needs.

We invite you to read the 2022 Annual Report to learn more about how NLPB serves the public's best interest by regulating the practice of pharmacy to ensure quality and ethical care.

Sincerely,



**Taggart Norris, Chair**



**Noelle Patten, Registrar & CEO**



**Margot Priddle, Registrar & CEO, Retired**

A handwritten signature in black ink, appearing to read 'Taggart Norris'.

**Taggart Norris, Chair**

A handwritten signature in black ink, appearing to read 'Noelle Patten'.

**Noelle Patten, Registrar & CEO**

A handwritten signature in black ink, appearing to read 'Margot Priddle'.

**Margot Priddle, Registrar & CEO, Retired**



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

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ZONE 1 PHARMACIST	Amy Randell
ZONE 2 PHARMACIST	Jason Ryan
ZONE 3 PHARMACIST	Jennifer Godsell
ZONE 4 PHARMACIST	Henry White
ZONE 5 HOSPITAL PHARMACIST	Nicole Kennedy
ZONE 6 PHARMACY TECHNICIAN	Jillian Thorne
ZONE 7 AT-LARGE PHARMACISTS	Timothy Buchanan Taggarty Norris

## Public Representatives

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

## Memorial University School of Pharmacy

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DEAN	Shawn Bugden
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Statutory and standing committees support the work of the Newfoundland and Labrador Pharmacy Board (NLPB). Committees are comprised of elected members, public appointments, and registered pharmacy professional volunteers.

## Executive Committee

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<b>CHAIR</b>	Taggart Norris
<b>VICE CHAIR</b>	Henry White
<b>EXECUTIVE MEMBER</b>	Jason Ryan
<b>PAST CHAIR</b>	Gerri Thompson

## Complaints Authorization Committee

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*Responsible for reviewing allegations relating to the professional practice of registered pharmacy professionals referred by the Registrar.*

<b>CHAIR</b>	Jason Ryan
<b>VICE CHAIR</b>	Mark Sheppard
<b>PUBLIC REPS</b>	Shirlene Murphy Gerri Thompson
<b>OTHER MEMBERS</b>	Tim Buchanan Nicole Kennedy

## Disciplinary Panel

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*Responsible for considering complaints referred by the Complaints Authorization Committee.*

<b>CHAIR</b>	Heather Seeley
<b>PUBLIC REPS</b>	Robert Williams Yvonne Young
<b>OTHER MEMBERS</b>	Mike Batt Sheldon Baines Jeff Fost Barbara Ann Gill Kristina Myers Sandi Osmond Debi Snow Wanda Spurrell Deep Upadhyay Sarah Way

## Finance and Audit Committee

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

<b>CHAIR</b>	Henry White
<b>MEMBERS</b>	Nicole Kennedy Shirlene Murphy Taggart Norris Mark Sheppard

## Pharmacy Practice Advisory Committee

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*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 registered pharmacy professionals' scope of practice.*

<b>CPSNL</b>	Oscar Howell
<b>CRNNL</b>	Michelle Carpenter
<b>CSHP-NL</b>	Brittany Churchill
<b>DHCS</b>	Pamela Barnes
<b>MUN</b>	Debbie Kelly
<b>PANL</b>	Tiffany Lee
<b>OTHER MEMBERS</b>	Katrina Drover Brittany Fitzgerald Jennifer Godsell Justin Peddle Andrea Woodland

## Professional Development Review Committee

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*Responsible for supporting and advising on continuing education and professional development programs for registered pharmacy professionals.*

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

## Quality Assurance Committee

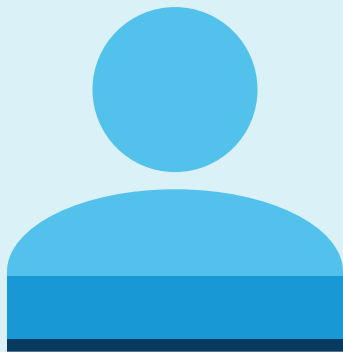
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*Investigates concerns related to quality assurance issues in pharmacy practice that have been referred by the Registrar, the Complaints Authorization Committee, or that the committee itself has recognized.*

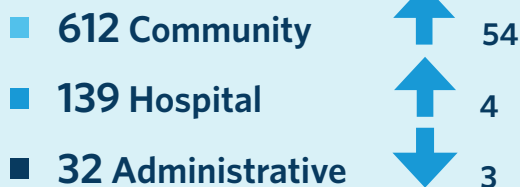
<b>CHAIR</b>	Andrew Sweetapple
<b>PUBLIC REPS</b>	Shirlene Murphy Mark Sheppard
<b>OTHER MEMBERS</b>	Paula Chaplin Brittany Churchill Susan Gladney-Martin Sheilagh Hanley Karen Mercer Kelda Newport Cassandra Osmond

## 783

Pharmacists



Change since 2021

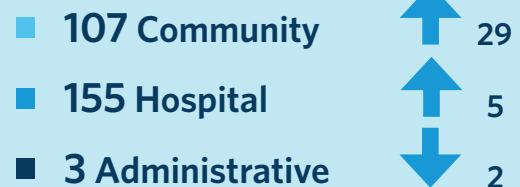


## 265

Pharmacy Technicians



Change since 2021



## 171

Pharmacy Students & Interns

### FORMER REGISTERED PHARMACY PROFESSIONALS, DECEASED

- Donald Hillier (Reg # 67-235), January 24, 2022
- Bert Warr Sr. (Reg # 63-111), March 6, 2022
- Patrick O'Keefe (Reg # 65-323), May 5, 2022
- G. Rex Sinyard (Reg # 62-165), May 11, 2022
- Neil Wells (Reg # 67-185), August 7, 2022
- Thomas Kennedy (Reg # 62-190), November 25, 2022

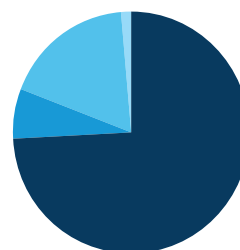
### New Registered Pharmacy Professionals



## 73

NEW Pharmacists & Pharmacy Technicians\*

### PATH TO REGISTRATION



- 54 Graduate of CCAPP-accredited program in NL
- 5 Graduate of other CCAPP-accredited program
- 13 Out-of-province Canadian pharmacy professional
- 1 Graduate of international pharmacy program

\*Excludes pharmacy professionals who re-registered with NLPB following a leave of absence.



# Practice Sites

**222**  
Pharmacies



Change since 2021

■ 206 Community

↑ 2

■ 16 Hospital

— 0

## PHARMACY SERVICES

Additional services pharmacies may provide include:

- Prescribing
- Administration of drug therapy by inhalation or injection
- Opioid agonist maintenance treatment
- Sterile and/or non-sterile compounding
- Central fill
- Service to long-term care facilities
- Service to personal care or community care homes



## PHARMACY OPENINGS

Port Aux Basques Pharmasave  
Hoyles Pharmachoice

## Pharmacy Assessments

The Newfoundland and Labrador Pharmacy Board (NLPB) conducts various types of pharmacy assessments to support compliance with operational and practice standards, including opening, renovation, relocation, and routine practice site assessments. The goal is to help the Pharmacist-in-Charge (PIC) identify standards that are not being fully met and to share information about best practices.

In 2022, hospital pharmacy visits were limited to compounding standards assessments, while the key areas of focus for community pharmacy assessments included:

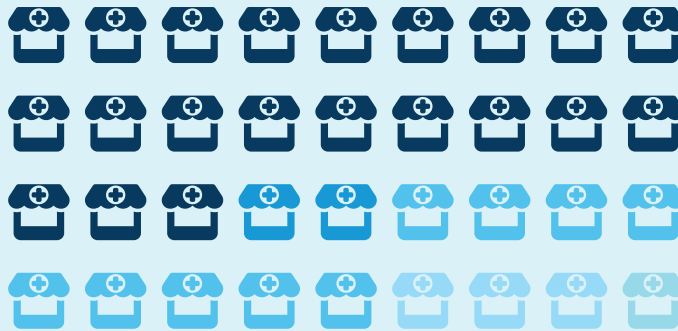
- PIC's regulatory duties
- Roles and responsibilities of pharmacy professionals and staff
- Safety and security of the pharmacy and medication inventory
- Documentation processes for dispensing activities, clinical services, and patient consultations
- Implementation of non-sterile compounding standards

## COMMUNITY PHARMACY

**36**

Pharmacy Assessments

- 21 Routine
- 2 Opening
- 9 Renovation
- 3 Relocation
- 1 Sterile Compounding



## HOSPITAL PHARMACY

**6**

Pharmacy Assessments

- 3 Sterile Compounding
- 2 Non-Sterile Compounding
- 1 Sterile & Non-Sterile Compounding



# Standards, Policies, and Guidelines

Standards, policies, and guidelines are developed by the Newfoundland and Labrador Pharmacy Board (NLPB) to support registered pharmacy professionals to deliver safe and quality care. Document creation and review of standards, policies, and guidelines is triggered by various factors, including the healthcare environment; legislative or regulatory change; gaps identified through practice consultations; or the NLPB document review cycle.

The document creation and review process begins with researching the issue, which may involve confirming the issue is in accordance with NLPB's objects; conducting a jurisdictional and environmental scan to review the position of other regulators; reviewing complaints, feedback, and questions received by NLPB related to the issue; obtaining feedback from staff on related issues; conducting literature research; or reviewing relevant legal issues. Following the research stage, the information obtained is analyzed and a first draft of the new or revised document is drafted. The drafted document then enters the consultation phase, which may include soliciting feedback from registered pharmacy professionals, other healthcare providers, key partners, or the public through surveys, focus groups, task forces, or committees. Following the consultation, the feedback is reviewed and the document is re-drafted with necessary changes integrated. The document is then presented to the board of directors for approval. Once approved, the document and corresponding implementation plan is communicated to registered pharmacy professionals and any other relevant parties. Finally, adherence is monitored and the outcome is measured to ascertain if the issue is being adequately addressed or if further action is required.



# Standards of Pharmacy Operation

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Standards of Pharmacy Operation are minimum acceptable standards applicable to operating a licensed pharmacy in Newfoundland and Labrador and are intended to promote consistency in the provision of pharmacy services in the province.

## 2022 REVISIONS

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- Standards of Pharmacy Operation - Community Pharmacy

# Standards of Practice

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Standards of Practice are minimum standards that all registered pharmacy professionals are expected to meet. Regardless of position or practice environment, when a registered pharmacy professional performs a specific role, they must perform it to the level specified in the Standards of Practice and meet all standards associated with that role.

## 2022 REVISIONS

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- The Sale of Exempted Codeine Products in Community Pharmacies
- Standards for the Provision of Compliance Packages

## 2022 IMPLEMENTATION DEADLINES

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- DECEMBER 31, 2022** Phase III — Non-Sterile Compounding Standards
- Phase III — Sterile Compounding Standards

# Guidelines

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Guidelines are intended to guide pharmacy practice in the absence of defined legislation or standards of practice.

## 2022 ADDITIONS

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- Guidance for Point of Care Testing in Community Pharmacies

## 2022 REVISIONS

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- Guidelines Regarding the Sale of Naloxone in Community Pharmacies

# Professional Development Audit

In accordance with section 52 of the *Pharmacy Act, 2012*, all regulated pharmacy professionals in Newfoundland and Labrador are expected to engage in professional development (PD). To promote continuing competence, NLPB requires pharmacists and pharmacy technicians to:

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

Typically, each year, 10% of registered pharmacists and pharmacy technicians are randomly selected to have their previous year’s learning portfolios audited by the PD Review Committee. However, due to technical issues related to the onboarding of a new registration and licensing management system, which resulted in challenges transferring documentation from the previous system as well as documenting learning activities in the new system, it was not possible to conduct a full scope audit of the 2022 PD cycle. PD requirements remained in effect during this time, including the requirement to document completion of the minimum required education units in order to be eligible to renew their registration for 2023. To ensure this requirement was met, an administrative audit was conducted, whereby any registered pharmacist or pharmacy technician who had not entered the required number of CEUs for the 2022 PD cycle were identified.



All registered pharmacists and pharmacy technicians were included in the audit. A total of 8 pharmacists and 3 pharmacy technician’s were found to have not met professional development documentation requirements. Of these, 8 had recorded less than 15 CEUs for the 2022 PD cycle, while 3 had 15 or more CEUs recorded but had less than the 7.5 accredited CEUs required.

Any registered pharmacy professionals who do not meet NLPB professional development requirements are notified and are required to make appropriate corrections.

# Self-Declaration Audits

The Newfoundland and Labrador Pharmacy Board (NLPB) conducts self-declaration audits to assure the public that pharmacy professionals are upholding their ethical and legal obligations to practice in the province. During annual registration renewal, pharmacy professionals 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 pharmacy professionals practice without required insurance, NLPB conducts professional liability insurance (PLI) audits annually. In 2022, pharmacy professionals used NLPB's new registration and licensing management system to renew their registration, which required them to document PLI information in addition to uploading a current copy of their PLI certificate. The additional documentation requirement provided an efficient method for auditing all PLI records rather than only a sample of records.

### 2022 AUDIT PROCESS

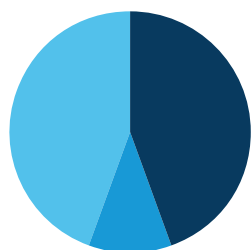
An initial report of all records showed significant documentation issues. All registered pharmacy professionals were notified of the issues and given a period of two weeks to ensure all missing information was submitted. Following this deadline, NLPB reconciled PLI records with outstanding issues, resulting in the identification of 81 pharmacy professionals who had not met the requirements following phase 1 of the PLI audit. These individuals were contacted directly via email and given a period of two weeks to provide additional information or take corrective action. Following phase 2 of communications, 33 pharmacy professionals had still not met the requirements. These individuals were contacted directly by phone to request additional information regarding their PLI coverage. Following phase 3 of communications, a final review was conducted, which resulted in a total of 9 referrals to complaints and discipline.

**1228** Registered Pharmacy Professionals Audited



- 1147 Requirements met
- 81 Requirements not met after phase 1
- 33 Requirements not met after phase 2
- 9 Requirements not met after final phase

### REASONS FOR NON-COMPLIANCE



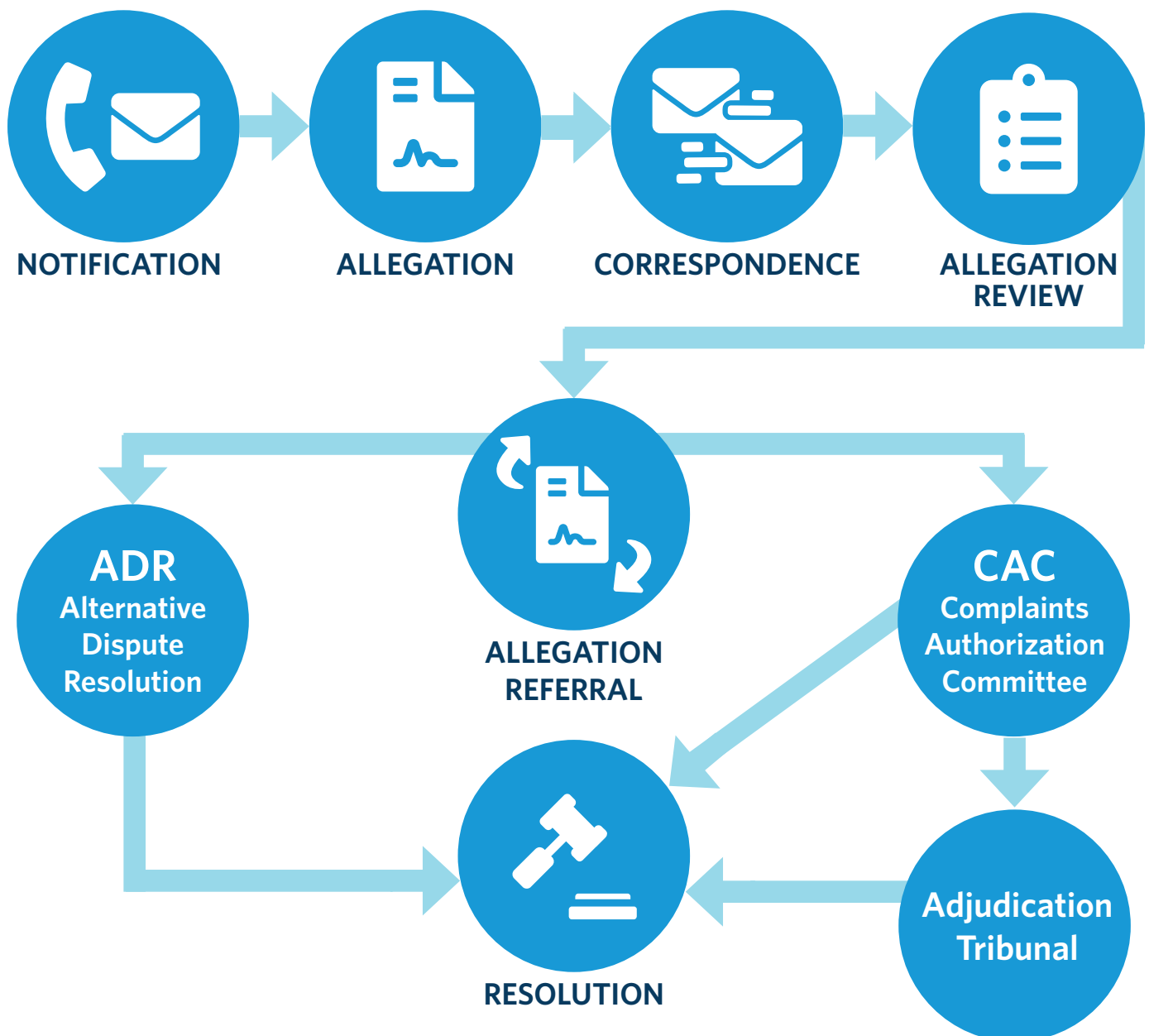
**9** Registered Pharmacy Professionals Did Not Meet Requirements

- 4 Gaps in coverage
- 1 Gap in coverage & inadequate insurance coverage
- 4 Improper documentation submitted

# Complaints and Discipline Process

The Newfoundland and Labrador Pharmacy Board (NLPB) complaints and discipline portfolio is responsible for processing allegations (often referred to as complaints) either made by members of the public or other healthcare professionals (complainant) about the practice of a registered pharmacy professional (respondent), or referred internally as a result of audits or other administrative processes.

The complaints and discipline process is initiated when a written allegation is received that indicates a pharmacy professional registered with NLPB may have engaged in “conduct deserving of sanction”. Conduct deserving of sanction can include a violation of any legislation, bylaws, standards, or ethical provisions that registered pharmacy professionals are required to meet. When a written allegation is received, it is required by law that the allegation is forwarded to the respondent for their review and response. NLPB does not screen or assess the allegation until all correspondence is received from both the complainant and the respondent. Once all correspondence is received, 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 and investigation if needed. If the CAC does not resolve the matter, it is referred to an Adjudication Tribunal for a hearing.



# 2022 Allegations



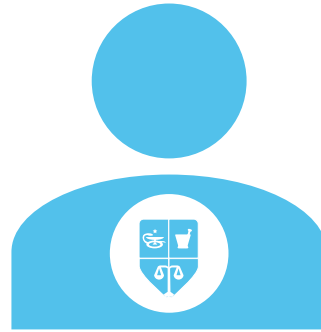
## Sources of 2022 Allegations



**5** Public



**4** Healthcare Professionals



**1** Registrar

## Issues Raised in 2022 Allegations

*Allegations may have involved multiple issues*



- 1 Theft
- 1 COVID-19 violation
- 2 Medication error
- 7 Professional Practice or Ethical Breach
- 1 Failure to meet requirements of registration or authorization

## Resolution of 2022 Allegations

*Includes allegations carried over from 2020/2021*



- 8 Resolved through ADR
- 5 Resolved by CAC
- 1 Adjudication Tribunal
- 4 Carried over to 2023

## 1.0 Call to Order and Adoption of Agenda

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The 112<sup>th</sup> Annual General Meeting (AGM) was held virtually through Zoom and called to order at 10:04AM on May 13, 2022. All registered pharmacy professionals were given access information to join the meeting online if they so chose.

**MOVED** by Shawn Bugden, seconded by Mark Sheppard to approve the AGM agenda. **CARRIED**

## 2.0 Introduction of Board Members

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### Board Members

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#### PRESENT

**ZONE 1**  
Amy Randell

**ZONE 2**  
Jason Ryan

**ZONE 3**  
Jennifer Godsell

**ZONE 4**  
Henry White

**ZONE 5**  
Nicole Kennedy

**ZONE 6**  
Jillian Thorne

**ZONE 7**  
Tim Buchanan  
Taggart Norris

#### PUBLIC REPRESENTATIVES

Shirlene Murphy  
Mark Sheppard  
Gerri Thompson

#### MUN SCHOOL OF PHARMACY DEAN

Shawn Bugden

#### REGRETS

None

### Staff

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#### REGISTRAR

Margot Priddle

#### ASSOCIATE REGISTRAR, PRACTICE & REGISTRATION

Melanie Healey

#### GENERAL COUNSEL/DIRECTOR OF COMPLAINTS & DISCIPLINE

Natalie Payne

#### ASSOCIATE REGISTRAR, QUALITY ASSURANCE & LICENSING

Noelle Patten

#### COMMUNICATIONS SPECIALIST

Julie Reddy

#### PRACTICE CONSULTANT/PRACTICE SITE ASSESSOR - HOSPITAL

Ken Walsh

#### PRACTICE CONSULTANT/PRACTICE SITE ASSESSOR - COMMUNITY

Rheya White

## 3.0 Minute of Silence

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A minute of silence was observed in memory of NLPB registered pharmacy professionals who passed away during the past year:

- Donald Hillier, 67-235, January 24, 2022
- Bert Warr Sr., 63-111, March 6, 2022
- Patrick O'Keefe, 65-323, May 5, 2022
- George Rex Sinyard, 62-165, May 8, 2022



## 4.0 Highlights of 2021 Annual Report

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Ms. Norris asked Registrar Margot Priddle to share highlights from the 2021 Annual Report, which presents information from the Board's fiscal year of January 1 to December 31, 2021.

Ms. Priddle took a few moments to highlight particular areas of the report related to Registration and Licencing, Quality Assurance and Complaints and Discipline, as well as drawing attention to the presence of the audited Financial Statements for 2021.

## 5.0 Questions on Annual Report

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There were no questions on the 2021 Annual Report at this time.

## 6.0 Appointment of Auditor for 2023

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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 Henry White, seconded by Shawn Bugden that Harris Ryan Accountants be appointed as Board auditors for 2023. **CARRIED**

## 7.0 Board Member Election Results

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Ms. Norris asked Ms. Priddle, as returning officer, announced the results of the 2022 election, which are as follows:

Results Zone 2: **Jason Ryan - Elected by acclamation**

Results Zone 3: **Jennifer Godsell - Elected by acclamation**

Ms. Priddle congratulated Mr. Ryan and Ms. Godsell, who are returning members to the board.

## 8.0 Emerald Achievement Award Recognition

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Ms. Priddle recognized registered pharmacy professional, Denise Parsons (87-583), this year's Emerald Award recipient.

## 9.0 Adjournment

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The meeting was adjourned at 10:32 AM by Jason Ryan.





**Financial Statements**  
Year Ended December 31

**2022**



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## INDEPENDENT AUDITOR'S REPORT

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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, 2022, 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, 2022, 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.

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:

(continues)

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

- 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  
June 2, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD****Statement of Financial Position****December 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 2,202,466	\$ 2,180,793
Guaranteed investment certificates	353,402	156,253
Prepaid expenses	14,852	8,002
Due from The Newfoundland and Labrador Pharmacy Museum Inc.	5,073	1,118
	<b>2,575,793</b>	2,346,166
CAPITAL ASSETS (Note 3)	206,269	226,532
GUARANTEED INVESTMENT CERTIFICATES	162,287	412,287
	<b>\$ 2,944,349</b>	<b>\$ 2,984,985</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable (Note 4)	\$ 49,105	\$ 44,379
Harmonized sales tax payable	186,834	169,012
Employee deductions payable	28,034	30,291
Fees and licenses collected in advance (Note 5)	1,330,054	1,232,471
Vacation payable	7,349	29,377
Severance pay liability	67,073	71,206
	<b>1,668,449</b>	1,576,736
<b>NET ASSETS</b>		
Invested in capital assets	206,267	226,530
Internally restricted legal and operational reserves (Note 7)	515,686	513,536
Unrestricted	553,947	668,183
	<b>1,275,900</b>	1,408,249
	<b>\$ 2,944,349</b>	<b>\$ 2,984,985</b>

COMMITMENTS (Note 6)

**ON BEHALF OF THE BOARD** Noelle Patten, Registrar *Director* Taggart Norris, Chair *Director*

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2022**

	Invested in Capital Assets	Internally restricted legal and operational reserves	Unrestricted	<b>2022</b>	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 226,530	\$ 513,536	\$ 668,183	<b>\$ 1,408,249</b>	\$ 1,331,487
DEFICIENCY OF REVENUES OVER EXPENSES	(23,521)	-	(108,828)	<b>(132,349)</b>	76,762
CAPITAL ASSETS PURCHASED	3,258	-	(3,258)	-	-
TRANSFER INTEREST TO RESERVES	-	2,150	(2,150)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 206,267</b>	<b>\$ 515,686</b>	<b>\$ 553,947</b>	<b>\$ 1,275,900</b>	<b>\$ 1,408,249</b>

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD**

**Statement of Revenues and Expenditures**

**Year Ended December 31, 2022**

	2022	2021
<b>REVENUES</b>		
Pharmacist licenses	\$ 719,029	\$ 713,397
Business licenses	415,085	417,560
Pharmacy technicians licenses	166,779	148,771
Other	39,360	49,039
Student registration	28,340	27,230
Grant revenue	-	6,625
Pharmacist authorizations	10,753	9,656
Discipline fines and recoveries	217	7,700
	<b>1,379,563</b>	<b>1,379,978</b>
<b>OTHER REVENUES</b>		
Interest	13,025	11,169
Schedule of building expenditures ( <i>Schedule 2</i> )	24,811	-
	<b>37,836</b>	<b>11,169</b>
<b>EXPENSES</b>		
Schedule of expenditures ( <i>Schedule 1</i> )	624,379	497,257
Schedule of building expenditures ( <i>Schedule 2</i> )	73,671	55,745
	<b>698,050</b>	<b>553,002</b>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>719,349</b>	<b>838,145</b>
<b>OTHER EXPENSES</b>		
Salaries and benefits	824,267	748,588
Travel expenses	13,566	1,018
Miscellaneous	10,365	9,667
Board honorarium	2,000	2,000
Salary replacement costs	1,500	110
	<b>851,698</b>	<b>761,383</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (132,349)</b>	<b>\$ 76,762</b>

See notes to financial statements



**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD****Statement of Cash Flows****Year Ended December 31, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (132,349)	\$ 76,762
Item not affecting cash:		
Amortization of capital assets	23,522	25,101
	<b>(108,827)</b>	101,863
Changes in non-cash working capital:		
Accounts receivable	-	3,446
Accounts payable	4,726	(12,767)
Fees and licenses collected in advance	97,583	54,834
Prepaid expenses	(6,850)	(782)
Harmonized sales tax payable	17,822	8,815
Employee deductions payable	(2,257)	5,788
Vacation payable	(22,028)	(1,006)
Severance pay liability	(4,133)	8,479
	<b>84,863</b>	66,807
Cash flow from (used by) operating activities	<b>(23,964)</b>	168,670
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(3,258)	(1,699)
Purchase of short term investments	52,851	55,658
Cash flow from investing activities	<b>49,593</b>	53,959
<b>FINANCING ACTIVITY</b>		
Advances from (to) related parties	(3,955)	(20)
<b>INCREASE IN CASH FLOW</b>	<b>21,674</b>	222,609
Cash - beginning of year	2,180,792	1,958,183
<b>CASH - END OF YEAR</b>	<b>\$ 2,202,466</b>	<b>\$ 2,180,792</b>
<b>CASH CONSISTS OF:</b>		
Cash held by Martek	\$ 4,254	\$ 4,989
Royal Bank of Canada - Operating	1,278,425	89,999
Royal Bank of Canada - Savings	919,787	2,085,804
	<b>\$ 2,202,466</b>	<b>\$ 2,180,792</b>

See notes to financial statements

# NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

## Notes to Financial Statements

Year Ended December 31, 2022

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### 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.

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### 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)*

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# NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

## Notes to Financial Statements

Year Ended December 31, 2022

### 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	2022 Net book value	2021 Net book value
Land	\$ 26,000	\$ -	\$ 26,000	\$ 26,000
Buildings	484,937	358,603	126,334	131,598
Telephone equipment	8,141	7,355	786	983
Computer equipment	43,179	31,814	11,365	14,862
Furniture and fixtures	102,868	61,084	41,784	53,089
	\$ 665,125	\$ 458,856	\$ 206,269	\$ 226,532

### 4. ACCOUNTS PAYABLE

	2022	2021
Trade payables and accrued liabilities	\$ 49,106	\$ 44,379

**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2022**

5. FEES AND LICENSES COLLECTED IN ADVANCE

	<b>2022</b>	2021
Pharmacist	\$ 717,338	\$ 684,377
Business	445,853	400,585
Pharmacy Technicians	166,863	147,509
	<b>\$ 1,330,054</b>	<b>\$ 1,232,471</b>

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. The ongoing fees to Thentia Canada Inc. are chargeable on a per license basis at a rate of \$3 per licensee, estimated to be \$44,000 annually for a 3 year period which commenced during 2022. The board also has a 60 month photocopier lease which commenced during 2021.

Contractual obligation repayment schedule:

2023	\$ 209,257
2024	209,257
2025	174,789
2026	166,488
2027	165,905
Thereafter	345,435
	<u>\$ 1,271,131</u>

7. INTERNALLY RESTRICTED FUNDS

The board had previously internally restricted net assets for the Legal Fund and operational reserves. The Legal fund is to be used as a contingency against any exceptional litigation fees resulting from disciplinary actions.

8. 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, 2022.

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.

Market risk

*(continues)*

# NEWFOUNDLAND AND LABRADOR PHARMACY BOARD

## Notes to Financial Statements

Year Ended December 31, 2022

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### 8. FINANCIAL INSTRUMENTS *(continued)*

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.

#### 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.

Unless otherwise noted, it is management's opinion that the board is not exposed to significant other price risks arising from these financial instruments.

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### 9. OTHER

Due to the loss of an appeal in connection with a discipline action, the Board is responsible for the payment of an amount in the range of \$6,000-\$10,000.

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### 10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD**

**Schedule of expenditures**

*(Schedule 1)*

**Year Ended December 31, 2022**

	<b>2022</b>	2021
Rent and freehold expenses	<b>\$ 161,058</b>	\$ 161,760
Consulting fees	<b>88,832</b>	32,788
Registration system	<b>74,401</b>	6,083
Museum grant	<b>40,000</b>	40,000
Bank charges and fees	<b>38,285</b>	36,923
Computer programming and IT support	<b>31,554</b>	40,613
Per capita assessments	<b>28,636</b>	28,636
Legal, discipline	<b>28,592</b>	33,498
Audit and accounting	<b>26,990</b>	30,675
Insurance	<b>22,553</b>	19,429
Special projects	<b>22,159</b>	-
Amortization, other	<b>18,258</b>	19,618
Telephone	<b>15,534</b>	14,529
Legal, other than discipline	<b>8,629</b>	11,430
Office	<b>8,194</b>	9,924
Dues, fees, and memberships	<b>6,815</b>	6,418
Professional development	<b>3,445</b>	3,203
Postage and courier	<b>444</b>	1,052
Donations	-	500
Conference	-	178
	<b>\$ 624,379</b>	\$ 497,257

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR PHARMACY BOARD****Schedule of building expenditures***(Schedule 2)***Year Ended December 31, 2022**

	<b>2022</b>	2021
<b>REVENUES</b>		
Rental revenue	\$ 24,811	\$ -
<b>EXPENSES</b>		
Amortization	5,264	5,483
Management fees	6,000	6,000
Municipal taxes	11,331	10,731
Operating expenses	51,076	33,531
	<b>73,671</b>	55,745
<b>LOSS FROM OPERATIONS</b>	<b>\$ (48,860)</b>	<b>\$ (55,745)</b>

See notes to financial statements



# NEWFOUNDLAND & LABRADOR PHARMACY BOARD



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