

# *Newfoundland and Labrador Psychology Board*

P.O. Box 8275, Station A, St. John's, NL A1B 3N4

website: <http://www.nlpsychboard.ca>

## **2019-2020 Annual Report**

This report covers the year May 2019 - June 2020. The Newfoundland and Labrador Psychology Board (NLPB) receives its authority and mandate through the Psychologists' Act 2005. The NLPB protects the public through registration, regulation, and education to promote access to safe, competent and ethical psychological services.

The NLPB consists of five elected Directors, two appointed Public Directors and one Registrar. The Directors for the 2019-2020 year are:

|                             |                        |
|-----------------------------|------------------------|
| Mr. Charles Penwell (Chair) | Public Director        |
| Dr. Jackie Hesson           | R. Psych.              |
| Dr. Krista Barney           | R. Psych.              |
| Dr. Sheila Garland          | R. Psych.              |
| Ms. Suanne Collins          | R. Psych.              |
| Dr. Emily Fawcett           | R. Psych.              |
| Ms. Barbara Bartlett        | Public Director        |
| John Harnett, R. Psych.     | Registrar (non-voting) |

The latter part of this year has been different, to say the least, as COVID-19 has spread around the world and impacted us here in Newfoundland and Labrador. Effective the last week in March, all private health clinics were forced to close and only reopening on June 8, with strict directives of how to operate.

Many psychologists adopted virtual session with clients, and meetings have also taken place virtually. Even this years' AGM is being held virtually.

We had planned to have this AGM, in person, in conjunction with APNL, so as to make it more accessible to all registrants and while we are coordinating the meeting with APNL, it is not as planned.

Your board has met monthly, except July 2019, to discuss registration, and other issues related to the profession of psychology. We hired Mary Devereaux, R. Psych., to develop policies important to the functioning of the board. Two members attended an ASPPB meeting in October 2019, and the registrar attended two ACPRO meetings. (The second was a virtual meeting)

## REGISTRATION COMMITTEE

In the past year, we have continued to pursue the possibility of registration at the doctoral level. The board realizes that any change in this area is likely to take significant time, as it will require a change in legislation. With changes to the M.Ed. program at Memorial University, this program no longer meets the necessary competencies needed for registration. Most jurisdictions in Canada now require a doctoral program for registration with New Brunswick and Prince Edward Island now added. Nova Scotia has also made some attempts in this area.

To this end, the board has answered questions from government as to why we feel it appropriate to move to the doctoral level, with protections for current registrants, and we have forwarded a letter to them. We expect this process to take time.

## APPLICATIONS:

Below is a record of applications received for the 2019 - 2020 year:

| Applications: | Received  | Approved  | Denied   |
|---------------|-----------|-----------|----------|
| CFTA*         | 41        | 41        |          |
| Non CFTA      | 5         | 4         | 1        |
| <b>TOTAL</b>  | <b>46</b> | <b>45</b> | <b>1</b> |

\*Canadian Free Trade Agreement

## EPPP

This year 6 provisionally registered psychologists attempted the EPPP and all were successful in their first attempts.

## QUALITY ASSURANCE AUDITS:

The NLPB is continuing to implement the Audit component of the Quality Assurance program. Some audits have been completed, and others are scheduled to be carried out for 2020. There has been a delay due to the COVID-19 interruptions and more audits will be completed as conditions improve.

## CE COMMITTEE:

Our Continuing Education Committee is continuing to thoroughly examine the CE forms submitted at the end of 2019. The process has been delayed this year due to COVID-19 and the inability to meet in person. The committee will continue their work in reviewing the CE forms. There was a change in requirements for the CE hours in 2019 with 10 hours being required from Category A. The goal of continuing education is to make it part of every registrants' professional practice, which helps in protecting the public.

## COMPLAINTS AUTHORIZATION COMMITTEE:

The Complaints Authorization Committee dealt with one allegation this year. This allegation has taken considerable time as an investigator had to be hired by the board to examine the allegation. Upon completion of this work the CAC deliberated on the allegation and referred it to our lawyer to pursue. This complaint is presently being resolved..

## ENHANCED EPPP:

The Newfoundland and Labrador Psychology Board is an early adopter of the new enhanced EPPP, (or EPPP2) which was supposed to start in January 2020. For several reasons this implementation date has now been postponed until November 2020. Current provisional registrants, who successfully complete the EPPP prior to implementation of the Enhanced EPPP will not have to complete the new process, but anyone completing it after the implementation of the Enhanced EPPP will have to complete the new EPPP.

## POLICY & PROCEDURES:

Another initiative of the board over the past couple of years has been to develop and maintain quality policies and procedures. During 2018-2019, priority centered on the policy and procedures for investigating allegations so that the procedures are fair and comprehensive in dealing with these matters. In 2019-2020, the board oversaw the development of four more substantial policies and procedures. The following policies were developed this year with the help of our consultant, Ms. Mary Devereaux, R Psych

- Supervision Policy
- Registration Policy
- Quality Assurance Policy
- Board Powers and Governance

## PROFESSIONAL AFFILIATIONS:

The NLPB has continued to maintain collegial relationships with provincial organizations and agencies. These include Memorial University of Newfoundland, Department of Education, NL English School Board (NLESD), Association of Psychology in Newfoundland and Labrador (APNL) and Newfoundland and Labrador Counsellors and Psychologists Association (NLCPA).

### ***ACPRO***

The NLPB also maintains professional relationships with other professional organizations in Canada and the US including the Association of Canadian Psychology Regulatory Organizations (ACPRO), the Canadian Psychological Association, and The Association of State and Provincial Psychology Boards (ASPPB).

The Registrar has attended the two semi-annual meetings of ACPRO. The last one was a virtual meeting. ACPRO is the Canadian organization that consists of all Registrars of provincial and territorial regulatory organizations for the practice of psychology. These meetings provide an opportunity to discuss national perspectives and issues related to regulation and to share expertise, support common efforts to enforce standards in the practice of psychology, and to facilitate mobility of psychology practitioners within Canada..

### ***ASPPB***

The NLPB has participated in the fall meeting of ASPPB. The spring meeting was cancelled due to COVID-19:

***October 2019.*** This meeting had, as its theme, “The Protecting the Public by Safeguarding Regulation”. The meeting addressed issues of public protection and the current threats to regulation in the various jurisdictions.

As a member of the ASPPB, the NLPB benefits from this experience as it provides a superb opportunity to obtain a better grasp of the depth and breadth of issues related to the regulation of our profession and contribute to these international discussions affecting the regulation of psychologists.

### **SUMMARY:**

The NLPB would like to thank those psychologists who have offered their services to the Board by offering their time for sub-committees and the provision of Supervision, Disciplinary Panels, Audits, and Investigations. These services are imperative to the Board as without these services, it would not be able to fulfill the entire mandate.

The NLPB welcomes inquiries about these activities or any other issues related to the regulation of psychologists registered with the NLPB. Contact information is available at our website: [www.nlpsychboard.ca](http://www.nlpsychboard.ca)

Submitted by:

*C Penwell*

Charles Penwell  
Chair

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**INDEX TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Newfoundland & Labrador Psychology Board

*Opinion*

We have audited the financial statements of Newfoundland & Labrador Psychology Board (the Organization), which comprise the statement of financial position as at March 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 Organization as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Organization'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 Members of Newfoundland & Labrador Psychology 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 Organization'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 Organization'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 Organization 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.

Mount Pearl, Newfoundland and Labrador  
June 19, 2020

*Smith, Bussey, Muir*

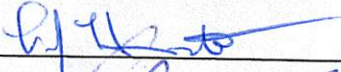

CHARTERED PROFESSIONAL ACCOUNTANTS



**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2020**

|   | 2020       | 2019       |
|---|------------|------------|
| <b>ASSETS</b>                                     |            |            |
| <b>CURRENT</b>                                    |            |            |
| Cash (Note 3)                                     | \$ 57,289  | \$ 84,084  |
| Accounts receivable                               | 4,859      | 4,194      |
| Prepaid expenses                                  | 2,559      | 2,574      |
|   | 64,707     | 90,852     |
| LONG TERM INVESTMENTS (Note 4)                    | 242,547    | 260,242    |
|   | \$ 307,254 | \$ 351,094 |
| <b>LIABILITIES AND NET ASSETS</b>                 |            |            |
| <b>CURRENT</b>                                    |            |            |
| Accounts payable and accrued liabilities (Note 5) | \$ 12,812  | \$ 8,985   |
| Deferred income (Note 6)                          | 417        | -          |
| <b>TOTAL LIABILITIES</b>                          | 13,229     | 8,985      |
| <b>NET ASSETS</b>                                 | 294,025    | 342,109    |
|   | \$ 307,254 | \$ 351,094 |

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

|   | 2020              | 2019              |
|---|-------------------|-------------------|
| <b>NET ASSETS - BEGINNING OF YEAR</b>       | <b>\$ 342,109</b> | <b>\$ 387,438</b> |
| <b>DEFICIENCY OF REVENUES OVER EXPENSES</b> | <b>(48,084)</b>   | <b>(45,329)</b>   |
| <b>NET ASSETS - END OF YEAR</b>             | <b>\$ 294,025</b> | <b>\$ 342,109</b> |

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE YEAR ENDED MARCH 31, 2020**

|   | 2020               | 2019               |
|---|--------------------|--------------------|
| <b>REVENUES</b>   | <b>\$ 217,669</b>  | <b>\$ 188,464</b>  |
| <b>EXPENSES</b>   |                    |                    |
| Advertising and promotion                                   | 680                | 261                |
| Board and professional meetings                             | 38,977             | 31,963             |
| Disciplinary and regulatory                                 | 28,892             | 44,817             |
| Insurance   | 3,142              | 3,165              |
| Interest and bank charges (Note 7)                          | 5,383              | 4,340              |
| Professional development                                    | 59,945             | 13,240             |
| Professional fees   | 8,524              | 9,965              |
| Registrarial duties   | 88,808             | 92,090             |
| Rental (Note 8)   | 22,588             | 18,398             |
| Security  | 1,113              | 1,242              |
| Supplies  | 4,321              | 5,358              |
| Technology services   | 11,231             | 7,322              |
| Utilities   | 4,576              | 5,138              |
|   | <b>278,180</b>     | <b>237,299</b>     |
| <b>DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS</b> | <b>(60,511)</b>    | <b>(48,835)</b>    |
| <b>OTHER INCOME</b>   |                    |                    |
| Interest from other sources                                 | 7,419              | 1,302              |
| Rental income   | 5,008              | 2,204              |
|   | <b>12,427</b>      | <b>3,506</b>       |
| <b>DEFICIENCY OF REVENUES OVER EXPENSES</b>                 | <b>\$ (48,084)</b> | <b>\$ (45,329)</b> |

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

|  | 2020             | 2019             |
|--|------------------|------------------|
| <b>OPERATING ACTIVITIES</b>              |                  |                  |
| deficiency of revenues over expenses     | \$ (48,084)      | \$ (45,329)      |
| Changes in non-cash working capital:     |                  |                  |
| Accounts receivable                      | (665)            | -                |
| Prepaid expenses                         | 15               | (5)              |
| Accounts payable and accrued liabilities | 3,827            | (2,089)          |
| Deferred income                          | 417              | (551)            |
|  | <u>3,594</u>     | <u>(2,645)</u>   |
| Cash flow used by operating activities   | <u>(44,490)</u>  | <u>(47,974)</u>  |
| <b>INVESTING ACTIVITY</b>                |                  |                  |
| Long term Investments                    | 17,695           | (1,152)          |
| <b>DECREASE IN CASH FLOW</b>             | <b>(26,795)</b>  | <b>(49,126)</b>  |
| Cash - beginning of year                 | 84,084           | 133,210          |
| <b>CASH - END OF YEAR (Note 3)</b>       | <b>\$ 57,289</b> | <b>\$ 84,084</b> |
| <b>CASH CONSISTS OF:</b>                 |                  |                  |
| Cash                                     | \$ 57,289        | \$ 84,084        |

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

**1. PURPOSE OF THE ORGANIZATION**

Newfoundland & Labrador Psychology Board (the "organization") is a not-for-profit organization incorporated provincially under the Societies Act of Province.

The Newfoundland and Labrador Psychology Board is mandated by Provincial legislation to enforce the Psychologist Act and maintain the Register of Psychologists in the Province of Newfoundland and Labrador.

**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).

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.

Cash and cash equivalents

Cash includes cash and cash equivalents, and consist of undeposited cash on hand, cash in bank, short term investments which are readily convertible to cash, bank overdraft and operating demand loans.

Property, plant and equipment

The Board follows the policy of expensing capital assets in the year of acquisition.

Revenue recognition

Newfoundland & Labrador Psychology Board follows the deferral method of accounting for contributions.

Registration fees are billed on a calendar year basis. Fees are recognized when registration takes effect. Related fees and other levies are recognized when received.

**3. CASH**

|                | 2020      |    | 2019   |
|----------------|-----------|----|--------|
| Bank - Current | \$ 30,563 | \$ | 58,186 |
| Bank - Savings | 26,726    |    | 25,898 |
|                | \$ 57,289 | \$ | 84,084 |

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

**4. LONG TERM INVESTMENTS**

|  | 2020       | 2019       |
|--|------------|------------|
| CIBC guaranteed investment certificates with varying interest rates and maturity dates | \$ 242,547 | \$ 260,242 |

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

|                             | 2020             | 2019            |
|-----------------------------|------------------|-----------------|
| Trade payables              | \$ 7,802         | \$ 5,075        |
| Employee deductions payable | 1,010            | -               |
| Accrued liabilities         | 4,000            | 3,910           |
|                             | <b>\$ 12,812</b> | <b>\$ 8,985</b> |

**6. DEFERRED INCOME**

|               | 2020   | 2019 |
|---------------|--------|------|
| Rental sublet | \$ 417 | \$ - |

**7. INTEREST AND BANK CHARGES**

|                      | 2020            | 2019            |
|----------------------|-----------------|-----------------|
| Bank service charges | \$ 635          | \$ 359          |
| Credit card charges  | 4,748           | 3,981           |
|                      | <b>\$ 5,383</b> | <b>\$ 4,340</b> |

**8. RENTAL**

The Board operates from leased premises, renewed annually, with a currently required monthly payment of \$1,533 plus common area charges.

**9. FINANCIAL INSTRUMENTS**

The Board's financial instruments, consisting of cash, accounts receivable, long term investments and accounts payable and accruals, are valued at amortized costs where applicable. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2020.

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**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

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9. **FINANCIAL INSTRUMENTS** *(continued)*

*(a) Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

*(b) Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

*(c) 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.

*(d) 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. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

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

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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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11. **OTHER MATTER**

The World Health Organization declared a health emergency on January 30, 2020 and a global pandemic on March 11, 2020 due to the outbreak of the COVID-19 virus. The Government of Newfoundland and Labrador declared a public health emergency under the Public Health Protection and Promotion Act. This act impacted businesses as all non-essential services are either shut down or operating in a limited capacity, which has a major impact on the economical landscape of Newfoundland and Labrador. This will, or may have, an impact on the future operations of the entity and an estimate of the financial impact at this time cannot be measured.

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