

# *Newfoundland and Labrador Psychology Board*

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

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

## **2020-2021 Annual Report**

This report covers the year June 2020 - May 2021. 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 2020-2021 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 2020-2021 year has been challenging for everyone. With the spread of as COVID-19, the world has been impacted, and we have had shutdowns along with major changes in the ways we interact. Even so, in Newfoundland and Labrador, we have fared reasonably well compared to many other parts of Canada, and the world.

In March 2020, all private health clinics were forced to close, reopening on June 8, with strict directives of how to operate. In February 2021, the province went through a second shut down for a two-week period. We are hopeful that, as the more people get their vaccinations, we will avoid another shut down. Over the past year, many psychologists adopted virtual sessions with clients, and meetings have also taken place virtually. Last years' AGM was our first virtual one and we continue to meet virtually this year.

Your board has met monthly, except July 2020, to discuss registration, and other issues related to the profession of psychology. While meeting virtually has allowed the board to complete its' regular business, virtual meetings have slowed the adoption of new policies developed for us by Ms. Mary Devereaux, R. Psych., in 2019-2020. We are getting there though, and all should be adopted shortly.

ASPPB meetings were held virtually in 2020 and 2021. Two members attended an ASPPB meeting in October 2020, and five of us attended the midyear meeting last month. The registrar attended two ACPRO meetings. (both virtually)

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## REGISTRATION COMMITTEE

The Registration Committee was established a number of years ago with a mandate to assist the Registrar in areas where a clear decision related to an application, a report, a registrant's provisional registration, etc. was outside of the usual routine.

This committee is the first level of decision in these circumstances, however, if a decision is even more difficult, the issue will be brought to the entire Board for their consideration and determination.

In 2020-2021, we have continued to pursue the possibility of registration at the doctoral level with the Provincial Government.

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. We have not made a lot of progress, in this area this year, but with the provincial government in caretaker mode for a significant time during the election, things were on hold.

### APPLICATIONS:

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

#### Applications

	Total	CFTA/AIT	Regular
Received:	44	37	7
Approved	42		
Denied	2		

### QUALITY ASSURANCE AUDITS:

The NLPB has placed the Quality Assurance Audits on hold during the pandemic. With the requirements for access to public health facilities and schools, severely limited by the public health measures, along with the restrictions on private health clinics, the board felt that it was best to place the audits on hold. As we emerge out of the pandemic, the board will re-evaluate when to restart the Quality Assurance Audits.

### 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 was postponed until November 2020. Anyone completing it now will have to complete the new enhanced EPPP.

In the last 12 months, 13 attempts have been made with the EPPP with 11 of these being successful.

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## 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).

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). 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.

## REGISTRATION FEES

As many would know Section 37 of the Psychologists Act states that “the board shall ensure that the level of the fees is sufficient to provide it with the income necessary to discharge its functions and duties under this Act.”

The last fee increase for registration was in 2009 and was set at \$725 and the Board sees a need to increase fees to allow for reasonable ongoing operation. By way of information to put our fees in perspective, the table below outlines registration fees for other provinces:

<b>Jurisdiction</b>	<b>Fee</b>	<b>Jurisdiction</b>	<b>Fee</b>
NLPB	\$725.00	Ontario	\$795.00
Nova Scotia	\$750.00	Manitoba	\$900.00
PEI	\$655.00	Saskatchewan	\$900.00
New Brunswick	\$975.00	Alberta	\$825.00
PQ	\$824.90	British Columbia	\$1200.00
<b>Average</b>		<b>\$854.99</b>	

Some other information related to fees includes:

1. Other NL regulated Health professions. The fees for other regulatory Boards in the province range from \$375 - \$1000. However, for example, the \$375 fee is for LPN's and they number at 2600, so their funds are considerable. Similarly, Social Work is \$400 and there are 1650 registrants and nurses are \$485 and there are 6300 registrants. While these are 'extremes' they do illustrate that some regulated health profession's fees can be lower because of their large number of registrants.
2. Inflation and purchasing power. When a review of inflation as it relates to the fee of \$725 in 2009, a increase to \$891.75 would be required to attain the same purchasing power in 2021 as we had in 2009.

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3. A year most unusual. It is also worth noting that expenses this year were considerably less due to the COVID19 pandemic. The costs related to meetings (Board and other), travel, QA audits, etc. did not occur, but it is anticipated that these will resume in 2021-2022.

Based on this, the Board is considering a fee increase for 2022 to \$850.

The Board also feels that, in the future, it is 'fairer' to have a smaller increase every 3 – 5 years rather than a larger one after a longer period, so will be looking at fees more closely in 2025 or 2027.

### 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



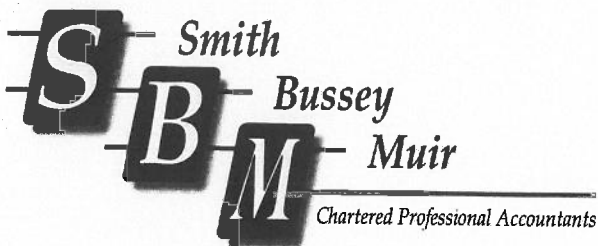
Charles Penwell, Chair

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**INDEX TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2021**

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R. Bruce Smith, FCPA, FCGA  
Douglas G. Bussey, B.A., B.Comm, CPA, CGA  
Deborah A. Muir, CPA, CGA  
Steve Smith, Practice Manager

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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 Company), which comprise the statement of financial position as at March 31, 2021, 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 Company as at March 31, 2021, 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 Company 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

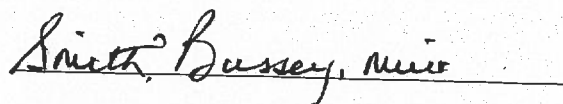
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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:

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 Company'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 Company'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 Company 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  
May 18, 2021

  
CHARTERED PROFESSIONAL ACCOUNTANTS



**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 3)	\$ 130,118	\$ 57,289
Accounts receivable	-	4,859
Prepaid expenses	1,832	2,559
	131,950	64,707
<b>LONG TERM INVESTMENTS (Note 4)</b>	<b>213,266</b>	<b>242,547</b>
	<b>\$ 345,216</b>	<b>\$ 307,254</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable (Note 5)	\$ 9,075	\$ 12,812
Deferred income (Note 6)	-	417
<b>TOTAL LIABILITIES</b>	<b>9,075</b>	<b>13,229</b>
<b>NET ASSETS</b>	<b>336,141</b>	<b>294,025</b>
	<b>\$ 345,216</b>	<b>\$ 307,254</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
*Director*

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*Director*

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 294,025</b>	<b>\$ 342,109</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>42,116</b>	<b>(48,084)</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 336,141</b>	<b>\$ 294,025</b>

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>REVENUES</b>	<b>\$ 204,144</b>	<b>\$ 217,669</b>
<b>EXPENSES</b>		
Advertising and promotion	-	680
Board & professional meetings	6,625	38,977
Disciplinary & regulatory	10,034	28,892
Insurance	3,072	3,142
Interest and bank charges (Note 7)	4,205	5,383
Professional development	3,111	59,945
Professional fees	5,198	8,524
Registrarial duties	96,850	88,808
Rental (Note 8)	18,398	22,588
Security	786	1,113
Supplies	4,994	4,321
Technology services	15,469	11,231
Utilities	5,114	4,576
	<b>173,856</b>	<b>278,180</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>30,288</b>	<b>(60,511)</b>
<b>OTHER INCOME</b>		
Interest	5,852	7,419
Rental income	5,976	5,008
	<b>11,828</b>	<b>12,427</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 42,116</b>	<b>\$ (48,084)</b>

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
excess (deficiency) of revenues over expenses	\$ 42,116	\$ (48,084)
Changes in non-cash working capital:		
Accounts receivable	4,859	(665)
Prepaid expenses	727	15
Accounts payable	(3,737)	3,827
Deferred income	(417)	417
	1,432	3,594
Cash flow from (used by) operating activities	43,548	(44,490)
<b>INVESTING ACTIVITY</b>		
Long term Investments	29,281	17,695
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>72,829</b>	<b>(26,795)</b>
Cash - beginning of year	57,289	84,084
<b>CASH - END OF YEAR (Note 3)</b>	<b>\$ 130,118</b>	<b>\$ 57,289</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 130,118	\$ 57,289

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

**1. PURPOSE OF THE ORGANIZATION**

Newfoundland & Labrador Psychology Board (the "company") is a not-for-profit organization incorporated provincially under the Corporations Act of Newfoundland and Labrador. As a not-for-profit organization, the company is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Newfoundland & 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**

	2021	2020
Bank - Current	\$ 130,118	\$ 30,563
Bank - Savings	-	26,726
	<b>\$ 130,118</b>	<b>\$ 57,289</b>

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

**4. LONG TERM INVESTMENTS**

	2021	2020
CIBC guaranteed investment certificate at 3%, matures January 14, 2024.	\$ 213,266	\$ 207,265
CIBC guaranteed investment certificate at 2%, redeemed August 24, 2020.	-	35,282
	<b>\$ 213,266</b>	<b>\$ 242,547</b>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2021	2020
Trade payables	\$ 5,075	\$ 7,802
Employee deductions payable	-	1,010
Accrued liabilities	4,000	4,000
	<b>\$ 9,075</b>	<b>\$ 12,812</b>

**6. DEFERRED INCOME**

	2021	2020
Rental sublet	\$ -	\$ 417

**7. INTEREST AND BANK CHARGES**

	2021	2020
Bank service charges	\$ 191	\$ 637
Credit card charges	4,014	4,748
	<b>\$ 4,205</b>	<b>\$ 5,385</b>

**8. RENTAL**

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

**NEWFOUNDLAND & LABRADOR PSYCHOLOGY BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

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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.

*(a) Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. In order to reduce its credit risk, the company 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 company 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 company 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 company manages exposure through its normal operating and financing activities. The company 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 company is not exposed to significant other price risks arising from these financial instruments.

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10. SUBSEQUENT EVENTS

The outbreak of the coronavirus, COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown. For the year ended March 31, 2021, the governmental restrictions and measures have not impacted the company in a material way to date as its activities have been maintained. Management's estimates and judgments considered the uncertainties and economic implications of the COVID-19 pandemic on the company's operations and financial position and did not result in material impacts for the year ended March 31, 2021.

However, at the date of publication of these financial statements, while the company has been able to mitigate the short-term impact from the crisis without any significant impact, it is not possible to reliably estimate the length, severity and long-term impact the global pandemic may have on the company's financial results, conditions and cash flows.