National Association of Pharmacy Regulatory Authorities

ANNUAL REPORT

2005·2006

Table of Contents

VISION, MISSION, VALUES, GOALS

Vision

Pharmacists in Canada providing care that consistently meets the highest possible standards.

Mission

The National Association of Pharmacy Regulatory Authorities (NAPRA) enhances the activities of the pharmacy regulatory authorities by:

- Representing the common interests of the member organizations;
- Serving as a national resource centre; and
- Promoting the national implementation of progressive regulatory programs and standards.

Values

Value 1: The Optimal Health of Canadians

Our products, services and policies reflect our commitment to achieving the highest possible standard of health for Canadians.

Value 2: Respect for the Autonomy of each Member

We see our role as serving the member Pharmacy Regulatory Authorities and taking actions that enhance and support their vision and goals.

Value 3: Teamwork and Partnerships

We strive for synergy by working together as a team and forming strategic and tactical partnerships with our stakeholders.

Value 4: Innovation and Creativity

We are driven to find new products, services and practices that will support the optimal health of Canadians.

Value 5: Transparency and Accountability

The decisions, policies and regulations that we promote fully meet the needs and requirements of our members. We act in compliance with the guidance and counsel of our member representatives.

Value 6: Strong Leadership and Effective Governance

We lead and govern our organization with high standards, integrity, and committed stewardship.

Goals

Goal 1: Act as a national information clearinghouse and resource centre, and provide services to the members in relation to all aspects of pharmacy regulation.

Goal 2: Represent, promote and facilitate, both nationally and internationally, the interests and activities of the members.

Goal 3: Develop and maintain core competencies related to the professional practice of pharmacy, and promote their harmonization and uptake throughout Canada.

Goal 4: Develop models for regulating the profession of pharmacy and pharmacies, and facilitate access to such models.

Goal 5: Oversee, coordinate and promote the activities of the National Drug Scheduling Advisory Committee, and promote harmonization of the conditions of sale of drugs throughout Canada.

NAPRA BOARD OF DIRECTORS

April 2006

From left to right:

Front Row:
Sandeep Sodhi, Jeannie Collins Beaudin, Janet Bradshaw, Burke Suidan, Sandra Carey, Lois Cantin, Ken Potvin

Back Row:
Susan Wedlake, Don Rowe, Wally Kowalchuk, Ronald Guse, Ray Joubert, Marshall Moleschi, Greg Eberhart, Erica Gregory, Bill Veniot, Pat Trozzo, Neila Auld

Absent:
Lieutenant Colonel Dave Cecillon, Jeannette Hall

NAPRA COMMITTEES 2005-2006

Executive Committee

Burke Suidan, President – Alberta College of Pharmacists
Janet Bradshaw, Chair, Vice-President – Saskatchewan College of Pharmacists
Lois Cantin, Past-President – Manitoba Pharmaceutical Association
Sandra Carey – Newfoundland and Labrador Pharmacy Board
Ken Potvin – Executive Director, NAPRA

National Drug Scheduling Advisory Committee (NDSAC)

Dr. Jeff Taylor, Chair – Saskatoon, Saskatchewan
Dr. Mark Armstrong, Vice-Chair – Edmonton, Alberta
Dr. Marilyn Caughlin – Regina, Saskatchewan
Dawn Frail – Halifax, Nova Scotia
Phil Hudson – Waterloo, Ontario
Dr. Larry Lynd – Vancouver, British Columbia
Margot Priddle – St. John's, Newfoundland
Fred Rumpel – Edmonton, Alberta
Denis Belanger/Norma Lynn Pearson (Resource, Ottawa Valley Regional Drug Information Service)
Micheline Ho (Observer, Therapeutic Products Directorate, Health Canada)
Joan Sayer (Observer, representing Consumers' Association of Canada)
Ken Potvin, Executive Director, NAPRA

National Advisory Committee on Pharmacy Practice (NACPP)

Ronald Guse, Chair – Manitoba Pharmaceutical Association
Ron Elliott – Canadian Pharmacists Association
Celine Corman – Canadian Society of Hospital Pharmacists
Carole McKiee – Canadian Society of Consultant Pharmacists
Dr. Glen Pearson – Alberta College of Pharmacists
Margot Priddle – Newfoundland and Labrador Pharmacy Board
Dr. Brenda Schuster – Saskatchewan College of Pharmacists
Tinka von Keyserlingk – College of Pharmacists of British Columbia

Council of Pharmacy Registrars of Canada (CPRC)

Ronald Guse, Chair – Manitoba Pharmaceutical Association
Bill Veniot, Vice-Chair – New Brunswick Pharmaceutical Society
Neila Auld – Prince Edward Island Pharmacy Board
Lieutenant-Colonel Régis Vaillancourt/Lieutenant-Colonel Dave Cecillon - Canadian Forces Pharmacy Services
Greg Eberhart – Alberta College of Pharmacists
Jeannette Hall – Government of the Northwest Territories
Ray Joubert – Saskatchewan College of Pharmacists
Marshall Moleschi – College of Pharmacists of British Columbia
Don Rowe – Newfoundland and Labrador Pharmacy Board
Susan Wedlake – Nova Scotia College of Pharmacists
Ken Potvin – Executive Director, NAPRA (ex-officio)

National Advisory Committee on Licensing (NACL)

Neila Auld, Chair – Prince Edward Island Pharmacy Board
Cathy Biggs – Alberta College of Pharmacists
Carson Collins – Newfoundland and Labrador Pharmacy Board
Jeanne Eriksen – Saskatchewan College of Pharmacists
Dawn Frail – Nova Scotia College of Pharmacists
Scott McGibney – Manitoba Pharmaceutical Association
Dr. Brenda Osmond – College of Pharmacists of British Columbia
Bill Veniot – New Brunswick Pharmaceutical Society

National Advisory Committee on Pharmacy Operations (NACPO)

Janet Bradshaw, Chair – Saskatchewan College of Pharmacists
Merv Blair – Alberta College of Pharmacists
Tim Fleming – Canadian Association of Pharmacy Technicians
Wally Kowalchuk – Prince Edward Island Pharmacy Board
Nancy Roberts – New Brunswick Pharmaceutical Society
Shelley Stepanuik – Canadian Pharmacists Association

NAPRA COMMITTEES 2005-2006

National Continuing Competence Program Core Steering Committee (NCCPCSC)

Ray Joubert, Chair – Saskatchewan College of Pharmacists
Hugh Ellis – New Brunswick Pharmaceutical Society
Dr. David Fielding – Association of Faculties of Pharmacy of Canada
Gary Groves - Saskatchewan College of Pharmacists
Doreen Leong – College of Pharmacists of British Columbia
Roberta Stasyk – Alberta College of Pharmacists
Pat Trozzo – Manitoba Pharmaceutical Association
Susan Wedlake – Nova Scotia College of Pharmacists

External Appointments

Advisory Committee on Expanding Authority to Prescribe Controlled Substances
- Ronald Guse

Canada Council for Accreditation of Pharmacy Programs
- Ray Joubert

Canada Health Infoway
- Margot Priddle

Canadian Network of National Associations of Regulators
- Ken Potvin

Internationally Educated Health Professionals Initiative
- Dr. Zubin Austin

National e-Therapeutics Network Advisory Group
- Don Makowichuk

Pharmacy Human Resources in Canada Study
- Ray Joubert

Working Group on the Development of National Guidelines for the Disclosure of Adverse Events
- Ronald Guse

PRESIDENT'S REPORT

Burke Suidan

I find it amazing as to how a coin toss can determine one's future. Certainly I would not be addressing members of NAPRA as President of the organization if the toss did not go my way those few years ago. Again, I would like to thank the coin.

If last year was that of new beginnings, this would appear to be a year of implementation. This has been our first year in working with the new Strategic and Operational Plan and our Executive Director has been persistently working to ensure this organization continues to offer value for members. Many examples of the organization's activities are in the Executive Director's Report. NAPRA has traditionally been an organization of limited resources that has been delegated a vast number of tasks. If we believe that focus enables achievement, I encourage our organization to continue to consider what is of greatest value to members so that our resources can best be utilized.

There are a number of people I would like mention for their contribution over the course of the year. First, I would like to thank Ken for his diligent efforts towards the maintenance and development of the organization's numerous administrative needs and strategic desires. Given the enormous amount of deliberating in order to give the Board direction, the Registrars must be acknowledged for their commitment, in particular the CPRC Chair Ron Guse, for making himself available whenever I needed him. Thanks to Arvind Mani for his support on the numerous details provided to satisfy my inquiries. The Executive Committee has been outstanding with their commitment to the organization and should be commended for their time and patience. As NAPRA has such a large mandate, the issue of support staff has been an important one and Ken has been searching for valuable additions to the organization to aid in accomplishing our goals. On that note, I would like to welcome our new staff members to NAPRA, Lynn Rush, Administration and Finance Assistant, and Lisa Gall, Manager of Communications.

I regret not being able to maintain my direct involvement with the organization after our next board meeting. Despite this, it is encouraging to know that NAPRA is in good hands with the people I have seen and heard from around the Board table. I have come to know them for their desire to see pharmacists providing care that will consistently meet the highest possible standards. I have appreciated my time with everyone on the Board and I wish them all the best.

Remember that together we are stronger.

EXECUTIVE DIRECTOR'S REPORT

Ken Potvin

At the conclusion of my 2004-2005 report, I predicted that the coming year would be an active one for NAPRA. I aspired to shift the focus of my activities away from orientation toward a concentration on delivery of service to members.

As predicted, 2005-2006 proved to be very busy. I gained an enhanced perspective of where we have come from, where we stand today and how we can move forward. As part of our agenda to represent the common interests of the member organizations and promote the national implementation of progressive regulatory programs and standards, I am pleased to report on the following activities undertaken on behalf of members in the past year.

Professional Practice Initiatives

Standards of Practice

NAPRA published its *Supplemental Standards of Practice for Schedule II and III Drugs* in 2005. NAPRA has revised its draft *Guidelines to Pharmacy Compounding*. This document will be released pending a final review after Health Canada completes its *Policy on Manufacturing and Compounding Drug Products in Canada [POL-0051]*. NAPRA was also a key participant in the Importation and Compounding of Animal Drugs Task Force (ICADTF) that culminated in the Canadian Veterinary Medical Association (CVMA)'s release of *Guidelines for the Legitimate Use of Compounded Drugs in Veterinary Practice* released in August 2005.

Setting National Standards for Internet-based TOEFL

NAPRA was apprised of the implementation of the Internet-based TOEFL program. This shift will lead to the investigation and establishment of benchmarks in order to deliver an updated *Language Fluency Requirements for Licensure as a Pharmacist in Canada*.

Model Standards of Practice

With the financial support of McNeil Consumer Healthcare, NAPRA reprinted the *Model Standards of Practice for Canadian Pharmacists* (April 2003), and distributed approximately 2900 copies among the membership.

Review of the Mutual Recognition Agreement (MRA) for Pharmacists in Canada

A survey to gather information regarding PRAs' working experience and any challenges encountered since implementation was conducted. The PRAs received a copy of the survey report. A key outcome of the report will be its basis for determining the next steps in the maintenance of the MRA.

Health Canada Consultations

Electronic Transfer of Prescriptions/e-prescribing

NAPRA attended a workshop and submitted written comments regarding the Discussion Paper from Health Canada/Canada Health Infoway, "*Ensuring the Authenticity of Electronic Prescriptions: Proposed Approach*". As a result of this document, Health Canada will move toward creating legislation to permit electronic transfer of prescriptions under federal law.

International Prescription Service Pharmacies

NAPRA attended the consultation workshops to discuss the "Drug Supply Network (DSN)/Export Restriction Scheme (ERS)" and the "Patient-Practitioner Relationship (PPR) as a Condition of Sale of Prescription Drugs". Written submissions were prepared regarding the Discussion Papers for these two issues. Two achievements of the consultations were: first, Health Canada is committed to moving forward

with the establishment of the DSN and second the Department, under the former government, tabled Bill C-83 to enable the ERS. The opposition expressed to the PPR policy proposal, by NAPRA and others, was sufficient to cause the government to rethink this policy direction.

Health Canada Policy on Manufacturing and Compounding Drug Products in Canada [POL-0051].

NAPRA continued active involvement in the review/revision of Health Canada's draft policy document on the manufacturing and compounding of drug products. The Association is awaiting confirmation of next steps in the consultation process.

NAPRA-Therapeutic Products Directorate (TPD) Bilateral Meetings

The joint meetings with the TPD included discussion on: policy development around "Manufacturing and Compounding Drug Products"; TPD's activities regarding the "cross-border drug sale" issue; electronic transfer of prescriptions; product licensing based upon practice issues; and Health Canada's "Mandatory Adverse Drug Reaction Reporting System" as well as the implications of Health Canada's designation of products as "Schedule F Recommended".

NAPRA-Natural Health Products Directorate (NHPD) Bilateral Meeting

The first joint meeting of NAPRA and the NHPD occurred in November 2005. The meeting resulted in an established working relationship and the development of a baseline understanding of how NAPRA's National Drug Schedules (NDS) are taken into consideration during the licensing of Natural Health Products (NHPs). Further collaboration included NHPD representation at the March 2006 NDSAC meeting, to continue the discussion on NHPs within the NDS framework. Additionally, NAPRA was instrumental in making a list of approved NHPs available to the PRAs.

NAPRA-Health Environments & Consumer Safety (HECS) Branch Joint Meeting

NAPRA met with a representative from Office of Controlled Substances of the HECS Branch. One outcome of the meeting is the addition of NAPRA as a member of the Advisory Committee on Expanding Authority to Prescribe Controlled Substances. Ronald Guse, Registrar of the Manitoba Pharmaceutical Association is the NAPRA representative.

Other Initiatives

Canadian Patient Safety Institute (CPSI)

CSPI accepted NAPRA as one of only 100 Voting members. At the inaugural Annual Meeting in October 2005, the CPSI Board of Directors was elected. NAPRA appointed Ronald Guse, Registrar of the Manitoba Pharmaceutical Association as a member of a new Working Group constituted to develop National Guidelines on the Disclosure of Adverse Events.

CIHI Health Personnel Trends

NAPRA provided substantial input on the draft Pharmacist chapter of CIHI's *Health Personnel Trends in Canada 1995-2004* publication released in April 2006.

Enhancing Interdisciplinary Collaboration in Primary Health Care (EICP) Initiative

NAPRA endorsed the EICP Principles and Framework document. The document provides a foundation for the facilitation of interdisciplinary collaboration in primary health care in Canada.

Internationally Educated Health Professionals Initiative (IEHPI)

NAPRA participated as a member of the IEHPI in November 2005. As a direct result of this meeting, a Project Management Working Group was established. The Working Group's mandate is to provide recommendations on the development and implementation of a common orientation program on

the Canadian health care system for internationally educated health professionals. NAPRA endorsed Dr. Zubin Austin from the University of Toronto as the representative for the pharmacy profession.

Natural Health Products (NHP) and Pharmacy Practice

NAPRA is a "decision making partner" in a study, led by Dr. Heather Boon at the University of Toronto, on "Natural Health Products and Pharmacy Practice". The study is jointly funded by the Canadian Institutes of Health Research (CIHR) and Ontario's Ministry of Health and Long-Term Care. The information collected during this three-year project will benefit NAPRA, and our member PRAs, in the development and implementation of standards of practice for pharmacists with respect to natural health products.

Ontario College of Pharmacists (OCP) and l'Ordre des pharmaciens du Québec (OPQ)

NAPRA initiated discussions with both of these pharmacy regulatory authorities, to establish communication, outline NAPRA's Strategic and Operational Plans, and to explore the feasibility of renewing their membership in our national association.

External Liaison with Other Associations

Canadian Council for Accreditation of Pharmacy Programs (CCAPP)

CCAPP's Standards & Guidelines Committee finalized the Accreditation Standards for the B.Sc. Program, continued the development of Accreditation Standards for Entry-Level Pharm. D. Programs (ELPD) and drafted Preliminary Standards for Pre-Accreditation – for new or existing faculty (e.g. applicable when the University of Waterloo becomes a faculty, or the University of Montreal ELPD program becomes established). NAPRA reviewed the pre-Accreditation Standards and provided feedback to CCAPP.

Development of a Pharmacist Health Human Resource (HHR) Database at the Canadian Institute for Health Information (CIHI)

The development of a national database of pharmacists is an on-going project involving the Registrars, NAPRA, and other national pharmacy organizations, led by CIHI. The "Minimum Data Set", a fundamental element of this project, was finalized with input from the Registrars. The next key step involves the negotiation of Letters of Understanding for the contribution of data by the PRAs to CIHI.

Pharmacy Human Resources Study Update

The Canadian Pharmacists Association (CPhA) signed a 30 month Contribution Agreement with Human Resources and Skills Development Canada (HRSDC), in the amount of $1.48 million. The governance structure for the study includes two key committees: a Management Committee and a National Advisory Committee (which includes the Management Committee members). Ray Joubert, Registrar of the Saskatchewan College of Pharmacists, is NAPRA's representative on these committees.

Joint Meetings

NAPRA attended numerous joint meetings with pharmacy stakeholder organizations in 2005. Of particular note, NAPRA met with the Canadian Pharmacists Association, the Canadian Society of Hospital Pharmacists, the Canadian Association of Chain Drug Stores, the Association of Deans of Pharmacy of Canada, representatives of the Royal Pharmaceutical Society of Great Britain, and the National Association of Boards of Pharmacy (USA).

Other meetings/conferences/symposia attended on behalf of NAPRA

NAPRA member conferences (Manitoba Pharmaceutical Association, Alberta College of Pharmacists), Pharmacy Education Forum (hosted by Association of Deans of Pharmacy of Canada), Drug Safety Summit, Canadian Foundation for Pharmacy Workshop, Health Canada Symposium on NHP-Food-Drug Interactions, Canada Health Infoway – National Pharmacy Forum.

National Drug Scheduling Advisory Committee (NDSAC)

Committee activity

- NDSAC held three (3) meetings over the course of 2005-2006.
- The Committee welcomed Dr. Ruth Wilson as the replacement for Dr. Marilyn Caughlin.

Non-steroidal Anti-inflammatory Drugs (NSAIDS)

- NDSAC responded to Health Canada on the Report from the Expert Advisory Panel on the Safety of Cox-2 Selective Non-steroidal Anti-inflammatory Drugs (NSAIDS), noting that insufficient evidence had been provided to warrant a review of the schedule status of ibuprofen at this time.

Policy for "Schedule F Recommended" Drugs

- NDSAC discussions led to the initiation and drafting of a new NAPRA Policy for "Schedule F Recommended" Drugs. Collaboration with the Therapeutic Products Directorate led to the development of a communication process that would support the implementation of the Policy.

NDSAC Recommendations Regarding the National Drug Schedules (NDS)

- NDSAC advised NAPRA on schedule recommendations for the following products in 2005-06:
  - Desloratadine and its salts and preparations
  - Clobetasone butyrate 0.05% in a cream formulation to topical use on the skin (pending Federal deregulation to nonprescription status)
  - Pramoxine and its salts for topical application on the skin, and including lozenges
  - Pseudoephedrine and its salts and preparations
  - Ephedrine and its salts (*in preparations containing no more than 8 mg per unit dose, with a label recommending no more than 8 mg/dose or 32 mg/day and for use not more than 7 days, and indicated for nasal congestion*)
  - Alpha1-proteinase inhibitor (human)
  - Nicotine and its salts (when sold in a form to be administered orally as a lozenge containing 4 mg or less of nicotine per lozenge) (pending Federal deregulation to nonprescription status)
  - Diphenhydramine and its salts and preparations (for topical use in concentrations of 2% or less)

Detailed information is available on our web site at http://www.napra.org/docs/0/92/111.asp

Board of Directors

By-law Revisions

- NAPRA's Board of Directors and members approved a number of amendments to the Association's By-laws pertaining to funding and the governance structure. The Association moved from a fixed per capita dues assessment to a sliding scale model and PRAs now carry one vote per jurisdiction in contrast to the former weighted voting.

Policy on Third Party Use of Proprietary Materials

- NAPRA responded to three (3) requests from international bodies for permission to use NAPRA proprietary products, specifically the National Drug Schedules and *The Model Standards of Practice for Canadian Pharmacists* (April 2003). The requests prompted the development of a Policy on Third Party Use of Proprietary Materials.

New Board member

- The Board welcomed LCol Dave Cecillon as the replacement for LCol Régis Vaillancourt as the Canadian Forces Pharmacy Services representative.

Strategic and Operational Plans

- The 2006 Operational Plan was developed from NAPRA's 2005-07 Strategic Plan and subsequently received Board approval.

NAPRA Corporate Office

Media Relations

- NAPRA increased visibility in both the print and radio media. Initiated by the decision on the scheduling status of pseudoephedrine and ephedrine, the Executive Director responded to many reporters' inquiries on this and other topics.
- NAPRA established a solid working relationship with a variety of pharmacy trade publications and journals (most notably *Pharmacy Post* and the *Canadian Pharmacists Journal*). A priority in 2006 is the continued expansion of communication activities.

New Staff

- NAPRA welcomed Lynn Rush, Administrative and Finance Assistant and Lisa Gall, Manager of Communications to our staff. The creation of the new positions will lead to enhanced administrative efficiency and internal/external communications.

Revised Accounting Structure

- NAPRA's accounting structure underwent a major revision for 2006 to facilitate the financial reporting to members. The revision enables the accounting process to be a more effective management tool and increases the usefulness of financial information for members.

Office Move

- NAPRA's corporate office moved in order to meet the physical space demands of its evolving human resource requirements.

Today, we stand in a very favourable position. We are an Association that is actively effecting change for the profession of pharmacy on regulatory matters and as part of a broad spectrum of associations representing pharmacists. NAPRA is well respected on the national and international scene, because it ultimately serves the public interest and does so very well. I look forward to the initiatives we will undertake in 2006-2007 as we continue to enhance the value for our members.

Once again, I extend my thanks to the members of the Board and our committees – your contributions are integral to the progress we make on an annual basis. The Executive Committee is a critical partner and I am grateful for the members' time and commitment to the matters brought before them. Burke Suidan, NAPRA's President, and Janet Bradshaw, our Vice-President, deserve particular recognition for their leadership roles on the Board and Executive Committee respectively. Thank you to the office staff for their continued commitment to the Association and our membership. Working with all of you makes it very satisfying to be part of such a great organization.

AUDITORS' REPORT AND AUDITED FINANCIAL STATEMENTS

TO THE MEMBERS OF THE NATIONAL ASSOCIATION OF PHARMACY REGULATORY AUTHORITIES

We have audited the financial position of the National Association of Pharmacy Regulatory Authorities as at December 31, 2005 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the National Association of Pharmacy Regulatory Authorities as at December 31, 2005 and the results of its operations and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

As required by the *Canada Corporations Act*, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Barth Gerton Schyan LLP

CHARTERED ACCOUNTANTS

OTTAWA, Ontario

March 21, 2006

STATEMENT OF FINANCIAL POSITION

As At December 31, 2005

	2005	2004
ASSETS		
CURRENT ASSETS		
Cash	**$ 200**	$ 32,060
Short-term investments (Note 3)		
(fair value $531,211 - 2004 - $309,855)	**531,211**	309,855
Accounts receivable	**14,323**	10,680
Prepaid expenses	**1,088**	2,114
	546,822	354,709
CAPITAL ASSETS (Note 4)	**6,732**	8,544
	553,554	363,253
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Bank indebtedness	**$ 856**	$ –
Accounts payable and accrued liabilities	**5,075**	427
	5,931	427
NET ASSETS		
Invested in capital assets	**6,732**	8,544
Unrestricted assets	**540,891**	354,282
	547,623	362,826
	553,554	363,253

SIGNED ON BEHALF OF THE BOARD:

Janet A. Bradshaw

Director

Director

STATEMENT OF OPERATIONS

For the Year Ended December 31, 2005

	2005 (Actual)	2005 (Budget) (Note 5) (Unaudited)	2004 (Actual)
REVENUE			
Membership fees	**$ 673,908**		649,622
Special projects	**41,000**		21,944
Interest income	**12,005**		5,935
	726,913	651,200	677,501
EXPENSES			
Amortization	**5,341**		4,954
Drug scheduling	**52,724**		840
Issues management	**–**		5,809
CPRC	**201**		7,996
Licensing – maintain competencies	**–**		6,000
– maintain framework	**–**		5,000
– address demand for pharmacists	**–**		80
– jurisprudence exam/licensing tools	**–**		29,536
Pharmacy operation	**–**		146
Practice standards	**5,898**		462
Professional development	**–**		7,842
Specialty certification	**–**		17,867
Administration – salaries and benefits	**287,566**		243,213
– financial resources management	**5,566**		7,109
– physical plant and equipment	**66,964**		58,167
Communications – website	**18,406**		30,518
– annual report	**1,620**		2,714
– corporate representation	**43,814**		29,292
– database/webmail	**17,895**		11,782
Governance – board meetings	**33,508**		17,834
– executive, orientation, O & D insurance	**2,613**		41,855
	542,116	651,160	529,016
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	**184,797**	40	148,485
NET ASSETS, beginning of year	**362,826**		214,341
NET ASSETS, end of year	**547,623**		362,826

STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended December 31, 2005

	2005			2004
	Unrestricted	Invested in Capital Assets	Total	Total
BALANCE, beginning of year	354,282	8,544	362,826	214,341
Excess of revenue over expenses (expenses over revenue)	190,138	(5,341)	184,797	148,485
Invested in capital assets	(3,529)	3,529	–	–
BALANCE, end of year	**540,891**	**6,732**	**547,623**	362,826

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2005

	2005	2004
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	**184,797**	148,485
Item not affecting cash: Amortization	**5,341**	4,954
	190,138	153,439
Net change in operating items:		
Accounts receivable	**(3,643)**	66,068
Prepaid expenses	**1,026**	(1,026)
Accounts payable and accrued liabilities	**4,648**	(44,579)
	192,169	173,902
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Proceeds on sale of capital assets	**187**	–
Purchase of capital assets	**(3,716)**	(6,348)
Increase in investments	**(221,356)**	(210,061)
	(224,885)	(216,409)
DECREASE IN CASH FOR THE YEAR	**(32,716)**	(42,507)
CASH, beginning of year	**32,060**	74,567
(BANK INDEBTEDNESS) CASH, end of year	**(656)**	32,060
(BANK INDEBTEDNESS) CASH IS COMPRISED OF:		
Cash	**200**	32,060
Bank overdraft	**(856)**	–
	(656)	32,060

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2005

1. PURPOSE OF THE ORGANIZATION

The National Association of Pharmacy Regulatory Authorities (the "Association") was incorporated January 12, 1996 under the *Canada Corporations Act, Part II* as a not-for-profit organization which facilitates the national activities of provincial pharmacy regulatory authorities in their service of the public interest. The Association is exempt from income tax in Canada as a not-for-profit entity under Section 149(1)(L) of the *Income Tax Act (Canada)*.

2. ACCOUNTING POLICIES

Revenue Recognition

Contributions

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Special Projects

Special projects are undertaken by the Association on a cost recovery basis. For projects which extend over the year-end, any difference between revenue and expense for these projects is deferred at the year-end unless there are clear indications that the Association will not be able to recover its costs, in which case the estimated excess of expense over revenue for the project is charged to expense for the year.

Short-term Investments

Short-term investments are recorded at cost.

Capital Assets

Capital assets are recorded at cost and are being amortized over their estimated useful lives as follows:

Furniture and equipment	5 years	Straight-line
Computer equipment and software	4 years	Straight-line
Leasehold improvement	5 years	Straight-line

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

Impairment of Long-Lived Assets

The carrying values of capital assets are reviewed for impairment on a regular basis or whenever events or circumstances indicate that the carrying amount may not be recoverable. If the carrying value exceeds the amount recoverable, based on undiscounted estimated future cash flows, a write-down to their fair value is charged to the statement of earnings.

3. SHORT-TERM INVESTMENTS

Short-term investments are comprised of guaranteed investment certificates, interest payable annually, as follows:

30 day cashable, 2.85%, matures November 2, 2006	$ 457,500
30 day cashable, 3.00%, matures December 6, 2006	18,492
Cash on hand – broker account	55,219
	$ 531,211

Interest earned but not received at year-end is included in accounts receivable.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2005	Net Book Value 2004
Furniture and equipment	$4,169	$1,186	$2,983	$4,147
Computer equipment and software	45,752	42,003	3,749	3,547
Leasehold improvements	4,250	4,250	–	850
	54,171	**47,439**	**6,732**	**8,544**

5. BUDGET FIGURES

The budget figures are unaudited and are as provided by the Association's management.

6. FINANCIAL INSTRUMENTS

Fair Value

The financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and bank indebtedness. The fair value of these financial instruments approximate their carrying amount unless otherwise stated.

Credit Risk

The Association is exposed to credit risk on its accounts receivable. The Association's exposure to credit risk is reduced by the fact that most of its accounts receivable is from the government sector.

Interest Rate Risk

The Association is exposed to interest rate risk on investments in fixed income instruments. This risk is reduced due to maturities on fixed income investments being one year or less and cashable after a 30 day period.

7. LEASE COMMITMENTS

The Association has entered into operating leases for office equipment which expire in September, 2007 and office premises, which expires September, 2010. Approximate future minimum lease payments are as follows:

2006	$15,515
2007	$18,599
2008	$16,956
2009	$16,956
2010	$16,956

The Association pays, as additional payments, its share of realty taxes and operating costs.

8. CONTINGENCY

The Association, under a previous office lease which expires January 31, 2009, is responsible as the principal tenant for aggregate future minimum lease payments of $20,174. These amounts are currently fully recovered under a sub-lease with a sub-tenant.

9. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to this year's presentation.

NAPRA MEMBER CONTACT INFORMATION

Alberta College of Pharmacists
Suite 1200, 10303 Jasper Ave. NW
Edmonton, AB T5J 3N6
acpinfo@pharmacists.ab.ca

Canadian Forces Pharmacy Services
Directorate of Medical Policy
1745 Alta Vista Drive, Room 207
Ottawa, ON K1A 0K6
cecillon.dl@forces.gc.ca

College of Pharmacists of British Columbia
200–1765 West 8th Avenue
Vancouver, BC V6J 5C6
info@bcpharmacists.org

Government of the Northwest Territories
Health Professional Licensing
Dept. of Health and Social Services
8th Floor, Centre Square Tower
Box 1320
Yellowknife, NT X1A 2L9
jeannette_hall@gov.nt.ca

Manitoba Pharmaceutical Association
187 St. Mary's Road
Winnipeg, MB R2H 1J2
info@mpha.mb.ca

New Brunswick Pharmaceutical Society
373-B Urquhart Avenue
Moncton, NB E1H 2R4
info@nbpharmacists.ca

Newfoundland and Labrador Pharmacy Board
Apothecary Hall
488 Water Street
St. John's, NL A1E 1B3
info@nlpb.ca

Nova Scotia College of Pharmacists
1464 Dresden Row
Halifax, NS B3J 3T5
nsps@ns.sympatico.ca

Prince Edward Island Pharmacy Board
South Shore Professional Building
Trans Canada Highway
P.O. Box 89
Crapaud, PE C0A 1J0
peipharm@pei.aibn.com

Saskatchewan College of Pharmacists
700–4010 Pasqua Street
Regina, SK S4S 7B9
info@saskpharm.ca