

National Association Of Pharmacy Regulatory Authorities

ANNUAL REPORT

2006 – 2007



NAPRA ANNUAL REPORT 2006-2007



Table of Contents

4

NAPRA Board of Directors

5

NAPRA Committees 2006-2007

7

President's Report

8

Executive Director's Report

14

*Auditors' Report and Audited
Financial Statements*

19

Notes to the Financial Statements

22

NAPRA Member Contact Information



NAPRA ANNUAL REPORT 2006-2007

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 2007



From left to right:

Front Row:

Sandra Carey, Don Rowe, Neila Auld, Susan Wedlake, Pat Trozzo, Dianne Donnan,

Back Row:

Diane Brideau-Laughlin, Greg Eberhart, Ronald Guse, Bill Veniot, Ray Joubert, Janet Bradshaw, David McLeod ,
Marshall Moleschi, Karen Wolfe, Erica Gregory,

Absent:

Lieutenant Colonel Dave Cecillon, Jeannette Hall, Janelle Gray



NAPRA ANNUAL REPORT 2006-2007



NAPRA COMMITTEES 2006-2007

Executive Committee

Janet Bradshaw - President – Saskatchewan College of Pharmacists
Sandra Carey – Chair - Vice-President, Newfoundland and Labrador Pharmacy Board
Pat Trozzo - Manitoba Pharmaceutical Association
Erica Gregory - College of Pharmacists of British Columbia
Ken Potvin, Karen Wolfe - Executive Director, NAPRA

National Drug Scheduling Advisory Committee (NDSAC)

Margot Priddle, Chair – St. John's, Newfoundland
Dawn Frail, Vice-Chair - Halifax, Nova Scotia
Phil Hudson – Waterloo, Ontario
Dr. Larry Lynd – Vancouver, British Columbia
Dr. Anita G. Carrie – Edmonton, Alberta
Dr. Sheldon Koven – Winnipeg, Manitoba
Dr. Ruth Wilson – Kingston, Ontario
Dr. Nancy MacDonald – Guelph, Ontario
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, Karen Wolfe - Executive Director, NAPRA

National Advisory Committee on Pharmacy Practice (NACPP)

Marshall Moleschi, Chair - College of Pharmacists of British Columbia
Dianne Donnan – Lamont, Alberta
Susan Troesch – Vancouver, British Columbia
Beverley Zwicker – Halifax, Nova Scotia
Audrey McLelland - Saskatoon, Saskatchewan
Kim Houssin – Winnipeg, Manitoba
Tom Dolanjski – Timmins, Ontario
George Budd – Vancouver, British Columbia
Dr. Steven Semelman – Oakville, Ontario
Dr. Nicholas Honcharik – Winnipeg Manitoba
Rosemarie Patodia – Etobicoke, Ontario



NAPRA COMMITTEES 2006-2007 (continued)

Council of Pharmacy Registrars of Canada (CPRC)

Bill Veniot, Chair – New Brunswick Pharmaceutical Society
Neila Auld, Vice-Chair – Prince Edward Island Pharmacy Board
Ronald Guse – Manitoba Pharmaceutical Association
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, Karen Wolfe – Executive Director, NAPRA (ex-officio)

National Advisory Committee on Licensing (NACL)

Marshall Moleschi – College of Pharmacists of British Columbia
Neila Auld – Prince Edward Island Pharmacy Board
Dale Cooney – Alberta College of Pharmacists
Jeanne Eriksen – Saskatchewan College of Pharmacists
Dr. Stephen Graham – Nova Scotia College of Pharmacists
Darwin Cheasley – Manitoba Pharmaceutical Association
Bill Veniot – New Brunswick Pharmaceutical Society
Frances Hall – Canadian Forces Health Services

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 – Standards Collaborative Strategic Committee

- Ken Potvin (NAPRA/CPhA)

Canadian Network of National Associations of Regulators

- Ken Potvin / Karen Wolfe

Internationally Educated Health Professionals Initiative

- Dr. Zubin Austin

Pharmacy Human Resources in Canada Study

- Ray Joubert

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

- Ronald Guse
- Bill Veniot
- Karen Wolfe

National e-Pharmacy Task Force

- Ken Potvin / Karen Wolfe

Task Force on a Blueprint for Pharmacy

- Greg Eberhart
- Erica Gregory



PRESIDENT'S REPORT



Janet Bradshaw

Skip the gavel.... bring on the crystal ball. In my mind that is what the President needs going into this position. Undoubtedly, there were unpredicted events over the course of the past year.

A point in case was the departure of our Executive Director, Ken Potvin. Ken came to NAPRA in October 2004 and has provided excellent leadership for the organization during that time. He has increased the visibility of NAPRA and strengthened ties with external stakeholders. We wish Ken well in his new role at the University of Waterloo.

I have been fortunate to have the assistance of the staff at the NAPRA office. To Arvind Mani, Lynn Rush and Lisa Gall.... it has been a pleasure to work with all of you. Your attention to detail and my many inquiries has made my job easier.

Karen Wolfe, the Director of Pharmacy Practice Support, has recently taken on the position of interim Executive Director while the search continues for Ken's replacement. Karen brings a new perspective to NAPRA and we look forward to working with her.

My closest workings have been with the members of the Executive, a group of very dedicated and flexible individuals ranging from coast to coast. Imagine the challenges of trying to schedule an executive meeting via teleconference that doesn't have one member just getting out of bed or one just going to bed. I would like to think that by our deliberations we have helped to move NAPRA forward.

To Bill Veniot, CPRC Chair, a special thank you for your contributions at our meetings. It has been a positive move to have the Chair as part of Executive meetings once again. On a personal note I have appreciated your guidance as we worked through performance appraisals and contract negotiations.

I have been told that NAPRA's uniqueness is also its conundrum. Eleven years since the inception of NAPRA, there are new challenges while others remain the same. A sign of a progressive organization is one that can step back, redefine its direction and priorities, and then move forward. Recognizing that changes may be needed is one aspect... putting it into action is another. I believe we made an excellent start at our visioning and governance workshop in March. Those at the table came with a firm commitment to work for a stronger NAPRA. Our external stakeholders gave a clear message that NAPRA does indeed have an important role to play in regulating pharmacy in this country.

To lead a national organization, is, in my mind a once-in-a-lifetime opportunity. Having come into this position from a community and clinical pharmacy background there have undoubtedly been some new challenges. My theory has always been that one can't possibly know everything about everything. The key, therefore, is to utilize the talents of those around you, and to that end I have been surrounded by individuals willing to share their expertise. It has been a privilege to work with the elected Directors, CPRC, and staff over this past year. I thank you for your support and wish you continued success in making NAPRA the best it can be. Continue to strive for excellence.



EXECUTIVE DIRECTOR'S REPORT



Karen Wolfe

This 2006-2007 year has brought about a great deal of change at the NAPRA office, and for me personally. I accepted the position of Director of Pharmacy Practice Support in June 2006 and in March 2007 agreed to take on the role of Interim Executive Director following the departure of Ken Potvin. Ken has been an incredible role model and mentor for me during the time that we worked together, and I wish him great success in his new endeavors.

Many activities were undertaken on behalf of NAPRA Members this past year, details of which are included in the report below.

Professional Practice Initiatives

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

A teleconference was held to discuss the findings of the *Final Report on the NAPRA Survey on the Mutual Recognition Agreement (MRA) for the Profession of Pharmacy in Canada (April 2006)*. At the conclusion of the teleconference and in light of the fact that several of NAPRA's 2006 Objectives are directed toward the maintenance of the MRA, no further actions or initiatives were identified.

Setting National Standards for English Language Proficiency

The National Advisory Committee on Licensing (NACL) and representatives from the Ontario College of Pharmacists (OCP) convened to review and revise NAPRA's *Language Fluency Requirements for Licensure as a Pharmacist in Canada (1999)*. New benchmarks for English proficiency were established and subsequently adopted at the November 2006 NAPRA Board meeting. Of significance was establishing benchmarks for new exams (such as the TOEFL Internet-Based Test) and using the term "proficiency" in place of "fluency" to more accurately reflect the approved standards.

Entry to Practice Competencies

Assessment Strategies Inc. of Ottawa facilitated a three-day workshop to review and revise *Professional Competencies for Canadian Pharmacists at Entry to Practice*. Workshop participants included the NACL, representatives from OCP, l'Ordre des Pharmaciens du Québec (OPQ), and pharmacists representing the Northwest Territories and the Department of National Defense. Following external stakeholder review, NACL has approved a final revised document for adoption at the April 2007 Board meeting.

Guidelines for Pharmacy Compounding

NAPRA's *Guidelines to Pharmacy Compounding* was finalized following the posting of Health Canada's POL-0051 (see below). The guidelines were posted to the NAPRA website in December 2006 and notification was issued to pharmacy regulatory authorities, other national pharmacy organizations, and associations.



EXECUTIVE DIRECTOR'S REPORT

Health Canada Consultations

Health Canada Policy on Manufacturing and Compounding Drug Products in Canada

NAPRA provided written feedback, on behalf of its members, to Health Canada on the second draft of the *Policy on Manufacturing and Compounding Drug Products in Canada [POL-0051]*. In addition, NAPRA staff met with Health Canada officials to conduct a detailed review of POL-0051 in July 2006. Pharmacy Regulatory Authorities then had a final opportunity to comment on the draft POL-0051 prior to Health Canada's posting on the policy on their website for public consultation.

NAPRA-Therapeutic Products Directorate (TPD) Bilateral Meetings

NAPRA staff and CPRC Members met with TPD on two occasions: April 24, 2006 and November 10, 2006. Items discussed included: implications of NAPRA's policy on Natural Health Products; transition of DIN to Natural Health products; international prescription service pharmacies; electronic transfer of prescriptions and electronic prescribing; mandatory adverse drug reporting; MedEffect; status of tramadol; progressive licensing framework; licensing of Class A precursors as Natural Health products; patient information sheets; and look alike, sound alike drug names.

NAPRA-Natural Health Products Directorate (NHPD) Bilateral Meeting

NAPRA's Executive Director and CPRC Members met with NHPD on April 24, 2006. Items discussed included: implications of NAPRA's policy on Natural Health Products (NHP); the listing of NHP on the Health Canada website; the status of the proposed OTC amendment; and compliance and enforcement activities. In addition, the Executive Director and President of NAPRA along with the chair of CPRC met with NHPD and TPD officials in October 2006 to discuss NAPRA's *Policy for Natural Health Products* and the National Drug Schedules.

Joint Regulators Forum

NAPRA representatives along with representatives from the Federation of Medical Regulatory Authorities of Canada (FMRAC) met with Health Canada during a Joint Regulators Forum held in June 2006. Items discussed included: a Blueprint for the Renewal of the Canadian Health Products and Food Regulatory System; Progressive Licensing Framework; Special Access Programme; Health Product Risk Communication; barriers to information between Health Canada and provincial regulatory authorities; primary prescribing by pharmacists; collaborative care between pharmacists and physicians; manufacturing/compounding guidelines; counterfeit drug strategy; cross border drug sales; electronic prescribing; and pandemic preparedness.

Progressive Licensing Workshop

NAPRA's Executive Director participated in this workshop hosted by Health Canada in November 2006.

Risk Communications Working Group

NAPRA representatives met by teleconference in January 2007 with representatives from the Marketed Health Products Directorate (MHPD) and FMRAC to discuss issues, challenges, and best practices of risk communications products delivered by Health Canada.



EXECUTIVE DIRECTOR'S REPORT

Other Collaborative Initiatives

Canadian Network of National Associations of Regulators (CNNAR)

- Executive Director attended CNNAR meetings held May, September, and November 2006.

Canadian Patient Safety Institute (CPSI)

- NAPRA submitted nominees to the CPSI Board of Directors in collaboration with CPhA and CSHP.
- NAPRA endorsed the Project Charter on the Development of National Guidelines for the Disclosure of Adverse Events (September 2006).
- Executive Director attended the annual meeting of the CPSI in October 2006.

National e-Pharmacy Task Force

- Executive Director participated in the inaugural meeting of the National e-Pharmacy Task Force in October 2006. This Task Force is charged with addressing matters related to the development and implementation of information and communications technology to enable e-prescribing, e-dispensing, e-transacting and the access and contribution of pharmacists to the electronic health record.

Blueprint for Action for the Pharmacy Profession

- Executive Director and President attended June 2006 stakeholder consultation meeting for the Blueprint for Action. The Blueprint project will establish a common set of principles and values that will inform the future of pharmacy and will design a process to engage the profession in effecting practice change.
- Greg Eberhart and Erica Gregory were appointed to the Task Force on a Blueprint for Pharmacy. The Task Force is charged with drafting and consulting on the Blueprint document, and with overseeing the development of a comprehensive national implementation plan.

Moving Forward - Pharmacy Human Resources for the Future

- Ray Joubert is NAPRA's representative on both the Management and Advisory Committees for this study that will research human resources needs for the profession of pharmacy. Three areas of focus include: how pharmacists will practice in the future; the evolving role of the pharmacist through expanded role of pharmacy technicians; and how to optimize the integration and credential assessment of internationally trained pharmacy graduates.

Pharmacy technician competencies

- NAPRA participated in discussions with many stakeholders as a great deal of activity related to the role of the pharmacy technician is evident:
 - Participated in a conference call with the Canadian Society of Hospital Pharmacists (CSHP) regarding pharmacy technician regulation and program accreditation;
 - Met with representatives from the College of Pharmacists of British Columbia (CBPC), Alberta College of Pharmacists (ACP), Ontario College of Pharmacists (OCP), and the Pharmacy Examining Board of Canada (PEBC) to discuss the development of a national qualifying examination for pharmacy technicians in June 2006;



EXECUTIVE DIRECTOR'S REPORT

Pharmacy technician competencies (continued)

- Met with David Hill, Executive Director of the Canadian Council on Accreditation of Pharmacy Programs (CCAPP) for an update on their plans to initiate accreditation of pharmacy technician programs;
- Responded to consultation request from CPTEA regarding draft pharmacy technician educational outcomes;
- Developed draft role statements for pharmacists and pharmacy technicians;
- Developed draft competencies for pharmacy technicians.
- Sandra Carey was appointed to the PEBC Project Steering Committee for development of a national pharmacy technician examination.
- The NACL has reviewed the draft competencies and will participate in a process (similar to that used in the revision of entry to practice competencies for pharmacists) to produce a comprehensive competency document for pharmacy technicians.

Joint Meetings

- NAPRA participated in numerous joint meetings with pharmacy stakeholder organizations in 2006. These include:
 - Meeting with representatives of the National Drug Manufacturers Association of Canada (NDMAC) and the Canadian Council of Grocery Distributors (CCGD) regarding the NAPRA National Drug Schedule decision on ephedrine/pseudoephedrine in April 2006;
 - CPhA Annual Conference and Joint Officers meeting in Edmonton in June 2006; and
 - CSHP Annual General Meeting in Montréal in August 2006.

External Liaison with Other Associations (International)

- NAPRA representatives met with executive and staff from the National Association of Boards of Pharmacy (NABP) to discuss collaboration in April 2006 at their Annual General Meeting in San Francisco, California.

National Drug Scheduling Advisory Committee (NDSAC)

Committee activity

- NDSAC held two (2) meetings over the course of 2006-2007.
- Three new committee members were appointed:
 - Dr. Sheldon Koven, M.D., Ph.D. April 2006 to 2009;
 - Dr. Nancy MacDonald, B.Sc. (Pharm), Pharm. D. September 2006 to 2009;
 - Dr. Anita Carrie, Ph.D. December 2006-2009.
- Margot Priddle, Ph.C., B.Comm., was appointed Chair in June 2006 and reappointed to a second term from October 2006-2009.



EXECUTIVE DIRECTOR'S REPORT

NDSAC Recommendations Regarding the National Drug Schedules (NDS)

- NDSAC advised NAPRA on schedule recommendations for the following drugs in 2006-07:
 - Polymyxin B and its salts and derivatives for ophthalmic use
 - Gramicidin and its salts and derivatives for ophthalmic use
 - Bacitracin and its salts and derivatives for ophthalmic use
 - Lidocaine and its salts for otic use
 - Famotidine and its salts in preparations for oral use containing 20 mg or less of famotidine per dosage unit and used in the treatment of heartburn
 - Ranitidine and its salts in preparations for oral use containing 150 mg or less of ranitidine per dosage unit and used in the treatment of heartburn
 - Diphenhydramine and its salts and preparations (except for topical and parenteral use)

Detailed information is available on the NAPRA website 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 by-law amendment to rescind the need for the Executive Director to be a pharmacist.

Policy on Natural Health Products

- As a result of the confusion created when medicinal ingredients appear in both the National Drug Schedules and the Natural Health Products Regulations, NAPRA developed a Policy on Natural Health Products. This policy is available on-line at: http://www.napra.ca/pdfs/drugsched/NAPRA_Policy_for_NHPs-Approved_Nov122006.pdf

New Board Members

- Dianne Donnan replaced Burke Suidan as the representative for the Alberta College of Pharmacists.
- Janelle Gray replaced Sandeep Sodhi as the representative for the Nova Scotia College of Pharmacists.
- Shakara Carter replaced Jeannie Collins Beaudin as the representative for the New Brunswick Pharmaceutical Society.
- David McLeod replaced Wally Kowalchuk as the representative for the Prince Edward Island Pharmacy Board.
- Diane Brideau-Laughlin replaced Shakara Carter as the representative for the New Brunswick Pharmaceutical Society.





EXECUTIVE DIRECTOR'S REPORT

Board Governance

- NAPRA's Board of Directors reviewed governance models during an educational session at the November 2006 Board of Directors meeting.
- NAPRA's Board of Directors (along with invited external stakeholders) participated in a Visioning and Governance Workshop in March 2007.

Committees

- The National Advisory Committee on Licensing (NACL) and the National Advisory Committee on Pharmacy Practice (NACPP) were reinstated, and the NACL was actively engaged in revision of English language proficiency requirements, pharmacist entry to practice competencies, and review of draft pharmacy technician competencies.

NAPRA Corporate Office

New Staff

- NAPRA welcomed Karen Wolfe, Director of Pharmacy Practice Support, in June 2006.
- NAPRA welcomed Jolanta Piszczek from the University of British Columbia as a summer student.
- NAPRA welcomed Della Kwan for a policy practicum component of a Masters of Science degree from the University of Toronto.

Communications

- Developed and distributed *NAPRA Notes*, a bi-monthly summary of NAPRA activities for PRAs, both member and non-member, as well as national organizations.
- Developed monthly financial statements with explanatory notes for convenience of NAPRA Board members.
- Fielded a variety of media inquiries throughout the year.





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, 2006 and the statements of operations, changes in net assets and cash flows for the years 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, 2006 and the results of its operations and changes in net assets for the years 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 years.



CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

BORTS AND SCHIJNS LLP

CHARTERED ACCOUNTANTS

OTTAWA, Ontario
February 21, 2007



NAPRA ANNUAL REPORT 2006-2007

STATEMENT OF FINANCIAL POSITION

As At December 31, 2006

	2006	2005
ASSETS	\$	\$
CURRENT ASSETS		
Cash	19,058	200
Short-term investments (Note 3) (fair value \$531,232; (2005 - \$531,211))	531,232	531,211
Accounts receivable	19,174	14,323
Prepaid expenses	16,294	1,088
	585,758	546,822
CAPITAL ASSETS (Note 4)		
	10,071	6,732
	595,829	553,554
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Bank indebtedness	-	\$ 856
Accounts payable and accrued liabilities	3,800	5,075
	3,800	5,931
NET ASSETS		
Invested in capital assets	10,071	6,732
Unrestricted assets	581,958	540,891
	592,029	547,623
	595,829	553,554

SIGNED ON BEHALF OF THE BOARD:


..... Director


..... Director

BORTS AND SCHIJNS LLP

CHARTERED ACCOUNTANTS



NAPRA ANNUAL REPORT 2006-2007

STATEMENT OF OPERATIONS

For the Year Ended December 31, 2006

	(Actual)	2005 (Budget) (Note 5) (Unaudited)
REVENUE		
Membership fees	573,563	557,570
Grants and sponsorships	111,000	-
Interest income	<u>24,111</u>	<u>7,000</u>
	<u>708,674</u>	<u>564,570</u>
EXPENSE		
Amortization	3,952	6,575
Compensation and benefits	336,161	430,000
Fees	3,891	4,800
Insurance	4,316	4,000
Maintenance and rentals	58,655	68,700
Meetings	24,489	13,000
Other	3,653	2,500
Professional fees	111,143	33,000
Rent	43,129	50,000
Sundry	13,027	17,200
Supplies	5,801	5,500
Travel	<u>56,051</u>	<u>51,000</u>
	<u>664,268</u>	<u>686,275</u>
EXCESS OF REVENUE OVER EXPENSE FOR THE YEAR	44,406	<u>121,705</u>
NET ASSETS - beginning of year	<u>547,623</u>	
NET ASSETS - end of year	<u>592,029</u>	



STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended December 31, 2006

		2006		2005
	Unrestricted	Invested in Capital Assets	Total	Total
BALANCE , beginning of year	540,891	6,732	547,623	362,826
Excess of revenue over expense (expense over revenue)	49,258	(4,852)	44,406	184,797
Invested in capital assets	(8,191)	8,191	-	-
BALANCE , end of year	<u>581,958</u>	<u>10,071</u>	<u>592,029</u>	<u>547,623</u>



STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	44,406	184,797
Item not affecting cash: Amortization	<u>3,952</u>	<u>5,341</u>
	48,358	190,138
Net change in operating items:		
Accounts receivable	(4,851)	(3,643)
Prepaid expenses	(15,206)	1,026
Accounts payable and accrued liabilities	(1,275)	4,648
	<u>27,026</u>	<u>192,169</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Proceeds on sale of capital assets	900	187
Purchase of capital assets	(8,191)	(3,716)
Increase in investments	(21)	(221,356)
	<u>(7,312)</u>	<u>(224,885)</u>
DECREASE IN CASH FOR THE YEAR	19,714	(32,716)
CASH, beginning of year	(656)	32,060
(BANK INDEBTEDNESS) CASH, end of year	<u>19,058</u>	<u>(656)</u>
(BANK INDEBTEDNESS) CASH IS COMPRISED OF:		
Cash	19,058	200
Bank overdraft	-	(856)
	<u>19,058</u>	<u>(656)</u>



NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2006

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.

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	20%	Declining balance
Computer equipment and software	50%	Declining balance

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.



NOTES TO THE FINANCIAL STATEMENTS

3. SHORT-TERM INVESTMENTS

Short-term investments are comprised of guaranteed investment certificates, interest payable annually, at annual interest rates ranging from 3.85% to 4.3% as follows:

	\$
One year, 4.30%, matures July 13, 2007	100,000
One year, 3.91%, matures February 20, 2007	63,984
One year, 3.85%, matures February 2, 2007	100,000
30 day cashable, 4.10%, matures July 3, 2007	100,000
30 day cashable, 4.00%, matures July 3, 2007	116,262
Cash on hand - broker account	<u>50,986</u>
	<u>531,232</u>

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

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value	
			2006	2005
	\$	\$	\$	\$
Furniture and equipment	5,714	2,092	3,622	2,983
Computer equipment and software	<u>51,498</u>	<u>45,049</u>	<u>6,449</u>	<u>3,749</u>
	<u>57,212</u>	<u>47,141</u>	<u>10,071</u>	<u>6,732</u>

5. BUDGET FIGURES

The budget figures are unaudited and are as provided by the Association's management as approved in November, 2005.

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.





NOTES TO THE FINANCIAL STATEMENTS

6. FINANCIAL INSTRUMENTS (continued)

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 thirty day period.

7. LEASE COMMITMENTS

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

	\$
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 \$6,544 per annum. These amounts are currently fully recovered under a sub-lease with a sub-tenant.

9. COMPARATIVE FIGURES

Comparative figures have not been disclosed for the statement of operations as a result of significant account reclassifications in the current year, rendering the 2005 comparative amounts not meaningful in relation to 2006 actual and budget amounts.





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

