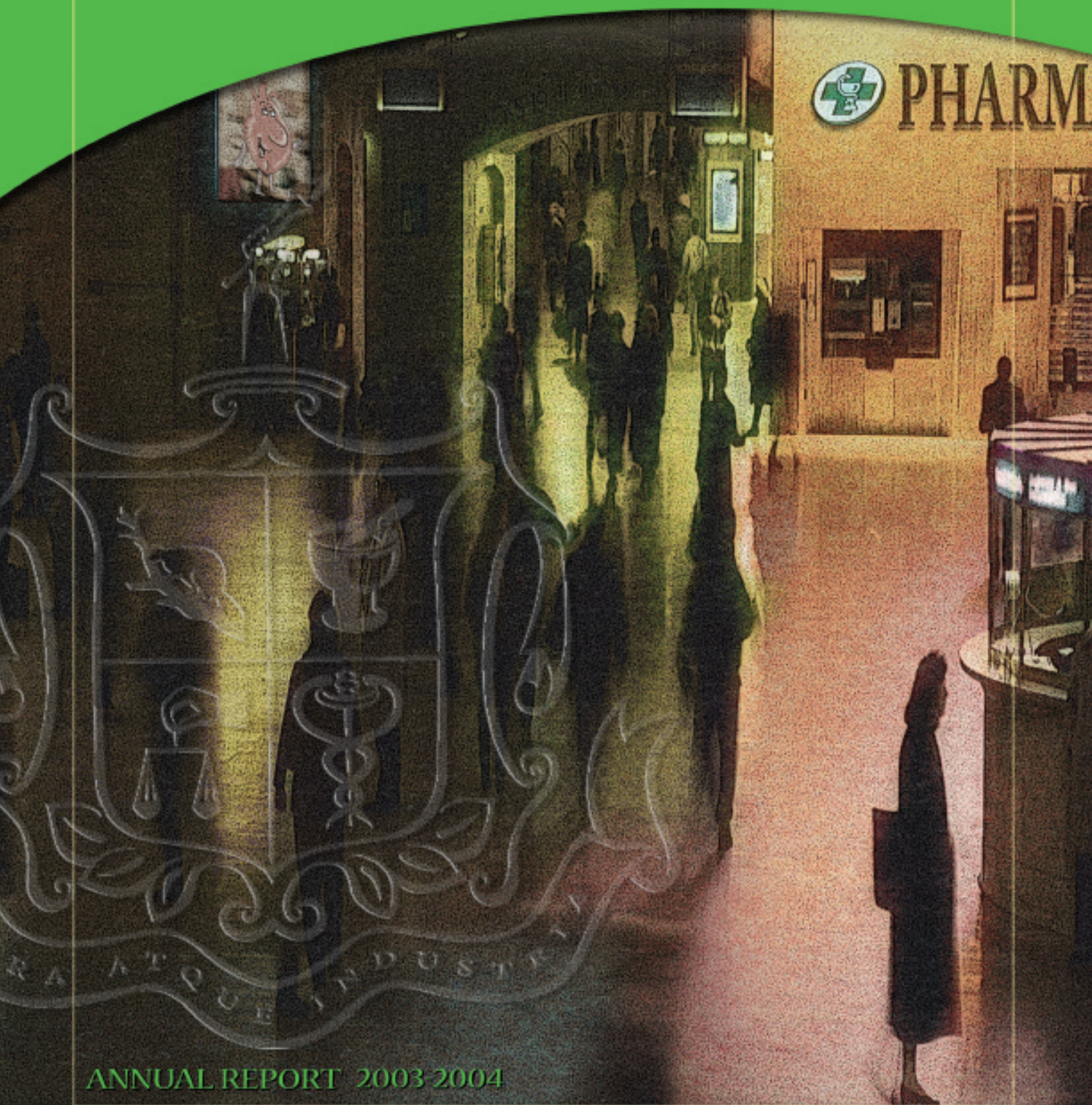


Ontario College of Pharmacists



ANNUAL REPORT 2003-2004



The mission of the Ontario College of Pharmacists is to regulate the practice of pharmacy, through the participation of the public and the profession, in accordance with standards of practice which ensure that pharmacists provide the public with quality pharmaceutical service and care.



Council 2003 2004



From left to right:

Front Row: Linda Robbins, Public Member; Della Croteau, Deputy Registrar/Director of Programs; Gurjit Husson, District 15; Reza Farmand, District 4; Larry Boggio, Vice President, District 9; Iris Krawchenko, President, District 8; Deanna Williams, Registrar; David Malian, District 11; Russell Carrington, Public Member; Connie Campbell, Director of Finance and Administration; Dean French, Public Member

Second Row: Wayne Hindmarsh, Dean, U of T; Elaine Akers, District 2; Morley Bercovitch, Public Member; Remi Ojo, District 3; Bob Drummond, Public Member; Stephen Clement, District 14; Marie Ogilvie, District 1; Katherine Hollinsworth, Public Member

Third Row: Peter Gdyczynski, District 12; Michael Schoales, Public Member; Leslie Braden, District 7

Fourth Row: Larry Hallok, District 5; Donald Stringer, District 13; Albert Chaiet, District 16; Stephen Mangos, Public Member; Tina Gabriel, Public Member

Fifth Row: Gerry Cook, District 10; Thomas Baulke, Public Member; Christina Weylie, Public Member; Garry Dent, Public Member; Mel Jones, Public Member

Not Shown: Phil Emberly, District 6; Shelley McKinney, District 17

Optimism for Our Profession

This year a new sense of optimism has pervaded Council. Supported by strong and clear strategic directions, Council was able to set out on some exciting new initiatives, revisit existing legislation that may hinder certain aspects of pharmaceutical care, and bring many issues to discussion and debate with our members at district meetings held across the province.

Strategic Plan

Council made significant strides toward its strategic goals this year. Many of these projects will come to fruition in 2005 and 2006. Our 2003 Strategic Plan outlines our major activities in managing the impact of technology on pharmacy practice, communicating the value of pharmacists in a changing health care environment, ensuring the best human resources, managing scope-of-practice issues, and effectively meeting our core mandate of enforcing self-regulation within available resources.

Task Force on Optimizing the Role of the Pharmacist

In October, the President struck a new task force comprising a number of leading-edge practitioners from across the province. The task force is mandated to explore ways of optimizing the pharmacist's role within the current scope of practice, as well as investigating various models where pharmacists are working within an expanded scope of practice, through collaboration with physicians and other health care providers.

In the spring, at the College's bi-annual district meetings, pharmacists were asked to participate in breakout groups to identify the top five areas of practice where pharmacists could have the greatest impact on improving health care for Ontarians. The 163 breakout groups highlighted the following: medication reviews, monitoring chronic therapy, refill authority for chronic therapy, pharmacists as drug information resource to physicians and monitoring and/or adjusting doses for chronic therapy, based on lab results. The task force will use this information to guide its activity for the coming year.



Iris Krawchenko, President



Deanna Williams, Registrar

Documentation Guidelines

New guidelines were developed to support pharmacists in the increasing need to document dialogue with patients and health care providers as well as other important information arising out of their practices. Developed to directly support the *Standards of Practice*, these guidelines support pharmacists in the documentation of their interactions with patients, physicians, and other health care providers, which can enhance and optimize patient care.

Regulation Changes

Council recommended amendments to *The Drug Interchangeability & Dispensing Fee Act (DIDFA)* that will change the requirements for the posting of the usual and customary fees of the pharmacy as well as the information required on the receipt. Council considered that, with the deregulation of drug costs in the non-Ontario Drug Benefit market, the posted fee is no longer meaningful to the public, as it may have little bearing on the total cost to the patient.

Point of Care Public Education Program

In March, the College commissioned its second Ipsos-Reid public survey to measure the impact of the first two years of the Point of Care Program. The findings are very positive and illustrate that the College is on its way to reaching its public awareness targets for 2005:

- 68% of the Ontario public indicated they had seen, read, or heard of the College
- 33% indicated they had seen the Point of Care symbol (a majority of these knew that it was related to pharmacy)
- 5% of the public had aided recall of seeing the Point of Care TV ad (with a majority considering it credible and informative)

These results represent very effective exposure, given that the commercial has only been aired for one eight-week flight. The commercial will be aired again for 13 weeks in 2005 and a subsequent survey will be conducted to measure the impact of all aspects of the program to date.

This year Council also moved to make the display of the symbol in all community pharmacies mandatory as a standard of accreditation and accordingly, has proposed regulation amendments to the Drug and Pharmacies Regulation Act.

Professionals Health Program

The College signed an agreement with the *Professionals Health Program* (PHP) to provide case management and advocacy for pharmacists who have been referred for treatment for mental health issues or drug addiction. The PHP is well positioned to monitor health professionals through their recovery process as they're integrated back into their practice settings.

Loyalty Program

The College's new policy on loyalty programs took effect on July 1, 2004. This policy prohibits the awarding of loyalty/bonus points or air miles on any prescription, prescription service, or professional service related to pharmacy practice in Ontario.

Privacy Legislation

College staff discussed the upcoming Personal Information Protection and Electronic Documents Act (PIPEDA) with other Ontario health regulatory colleges with a view to identifying its impact on the College's regulatory functions. The College also highlighted the upcoming privacy changes with pharmacists, as the Act has specific expectations for collection, use, disclosure, access, and destruction of information unique to an individual.

Professional Designation

In view of the diverse degree designations used by pharmacists graduating from universities across Canada and internationally, Council decided to pursue trademarking the designation R.Ph. (Registered Pharmacist).

Voluntary Privacy Code

Council adopted a voluntary privacy code, adapted from the code of the Federation of Health Regulatory Colleges of Ontario, to indicate Council's alignment with the spirit of current privacy legislation and fair information practices.

Mutual Recognition Agreement Review

In keeping with the terms of the agreement, a review of the Mutual Recognition Agreement (MRA) for Pharmacy in Canada was held in mid-October 2003. While concerns continue to exist respecting inconsistent implementation of structured practical training and fluency requirements for internationally trained pharmacists, as well as issues of continuing competence and resumption of practice, it was unanimously agreed that the current MRA is sound and that no significant revisions are needed at this time.

College Program Featured In Published Article

Finally, congratulations are in order for OCP Professor in Pharmacy Practice Dr. Z. Austin, Deputy Registrar/Director of Programs Ms. D. Croteau, Dr. A. Marini, and Dr. C. Violato on the publication of their paper on validity evidence in the March 2004 edition of *Pharmacy Education*, which deals with the College's Quality Assurance and Peer Review process. Our competency-based assessment, which continues to receive strong support from our members who have undergone the process, is also considered by other professions to be a model upon which to base their own QA programs.

Program Activity

Registration

- 289 requests were considered by panels of the Registration Committee, with the majority of these requests related to fluency and structured practical training
- 255 were granted
- 3 were denied
- 31 were deferred
- 3 requests were appealed to the Health Professions Appeal and Review Board
- 2 requests upheld by Health Professions Appeal and Review Board
- Health Professions Appeal and Review Board referred 1 request back to the Registration Panel

Accreditation

- 51 pharmacies were referred (compared to 54 last year). Of these, 11 pharmacy files were concluded
- 30 pharmacies had re-inspections (at cost) to address concerns about compliance and failure to meet College policies
- 2 pharmacies were referred to the Discipline Committee
- 1 pharmacy matter was deferred until further information could be gathered
- 4 pharmacies were ordered to have inspections either to ensure that action plans were completed or to gather more information
- 3 pharmacists were referred to the Executive Committee as a result of failing to meet the *Standards of Practice*

Quality Assurance

Assessment Totals:

238 pharmacists assessed during year

- 180 new randomly selected pharmacists
- 13 new non-randomly selected pharmacists (Part B to Part A or referred)
- 41 reassessments
- 4 second time randomly selected candidates (completed clinical knowledge assessment only)

Outcome

- 156 (86.6%) were successful in meeting the standard in all areas
- 165 (91.6%) successfully entered into self-directed category (met standard in all categories or fell below in only “Gathering Information” or “Patient Management/Follow Up”)
- 15 (8.4%) required peer guided education

Quality Assurance (continued)

Outcome by Graduation Date

Years since graduation	Number of pharmacists	Number who entered peer-guided learning	Percentage who entered peer-guided learning (of group's total)
0-5 (exempt)	0	n.a.	n.a.
6-15	62	3	4.8
16-25	66	4	6.1
26+	52	8	15.4

Outcome by Place of Practice

Declared place of practice	Number of pharmacists	Number who entered peer-guided learning	Percentage who entered peer-guided learning (of group's total)
Community	132	15	11.4
Hospital/Clinic	29	0	0
Other	19	0	0

Outcome by Country of Graduation

Country of Graduation	Number of pharmacists	Number who entered peer-guided learning	Percentage who entered peer-guided learning (of group's total)
Canada/USA	125	5	4.0
Other	55	10	18.2

Complaints

- Committee reviewed 86 matters involving 107 members
- 8 members were referred to the Discipline Committee. These referrals resulted from matters involving sexual harassment, abuse or billing irregularities
- The Health Professions Appeal Review Board reviewed 8 Complaints Committee decisions/investigations during this period; all were upheld by the Board

Complaints by Type

	Number of matters reviewed	Number of members
Unauthorized dispensing . . . . .	.3	.3
Reduction in quantity . . . . .	.5	.7
Confidentiality . . . . .	.2	.3
Expired medication . . . . .	.2	.3
Excessive charges . . . . .	.0	
Failure to intervene . . . . .	.1	.1
Dispensing errors . . . . .	.30	.35
Billing irregularities . . . . .	.6	.8
Sexual harassment/abuse . . . . .	.3	.4
Professional service . . . . .	.10	.10
Product selection . . . . .	.1	.3
Recordkeeping . . . . .	.0	
Labelling errors . . . . .	.3	.3
Miscellaneous . . . . .	.20	.27

Fitness to Practice

- 3 referrals (compared to 8 last year), 3 hearings before a panel, and 1 decision issued by way of Consent Order
- All cases were related to substance abuse/opioids/alcohol
- All resulted in findings of incapacity
- 1 member enrolled with the Professionals Health Program

Discipline

- Pre-hearing conferences were held in connection with 21 cases (compared to 38 last year)
- 10 uncontested hearings (involving 10 members)
- 1 contested hearings (involving 1 member)
- 20 cases concluded (involving 24 members) (versus 36 cases involving 37 members last year)
- No cases were appealed to Divisional Court
- 9 motions were heard by the Committee (compared to 5 last year)

The Committee agreed to:

- Dismiss the allegations against the member(s) in 5 cases (involving 9 members)
- Adjourn a hearing since the member had resigned
- Vary terms, conditions or limitations that had been previously imposed on the certificate of registration of a member by the Discipline Committee

The Committee agreed not to:

- Reinstate a member's certificate of registration, which had previously been revoked by the Discipline Committee
- Change the venue or location of an upcoming hearing regarding a member

Discipline Case Summaries

FINDINGS OF PROFESSIONAL MISCONDUCT

No. Finding	Order/Result
<p>1. Fadhil Al Sarraj: Failed to maintain the standards of practice of the profession resulting in her dispensing Digoxin (Lanoxin®) instead of the prescribed Synthroid, and as designated manager did not have systems in place to review and prevent such errors.</p>	<p>A reprimand; a one month suspension of his Certificate of Registration, to be remitted upon successful completion within one year of the education program, “Confronting Medication Errors”, offered by the Ontario Pharmacists’ Association, including Workshop #1, “Understanding the Issues and Dealing with Incidents”, and Workshop #2, “Taking Action to Improve Patient Safety”, at his own expense; costs in the amount of \$1,500.</p>
<p>2. Birchmount Pharmasave/Stephen Bederman: Failed to maintain the standards of practice of the profession, and that there had been breaches by the pharmacy of the Drug and Pharmacies Regulation Act, in that prescription medications were dispensed to non-Ontario patients without receipt of the original prescriptions, on the basis of prescriptions faxed other than from the prescriber’s office, on the basis of prescriptions not written by Ontario physicians (and/or co-signed by Ontario physicians outside of bona fide physician-patient relationships), without dialogue with the patients, not properly labelled, not packaged in child resistant packages, and not sent via registered mail.</p>	<p>A reprimand; a 12 month suspension of his Certificate of Registration, three months remitted if he successfully complete at his own expense certain lectures from the Jurisprudence lecture series, #1, “Overview of Jurisprudence”; #2, “Drug and Pharmacies Regulation Act”; #9, “Ethical Conduct”, and, from the Jurisprudence Written Course, “Lesson #2, The Regulation of Pharmacy Practice”, and “Lesson #4, Standards of Practice”; restrictions on his Certificate of Registration such that for 24 months after the completion of his suspension he not be allowed to act as a designated manager, and must inform his employers of the full details of this order; costs in the amount of \$40,000 (the member) and \$20,000 (the pharmacy).</p>
<p>3. So-Yung Tang: Failed to maintain the standards of practice of the profession resulting in her dispensing MS-Contin® instead of the prescribed Oxycontin®.</p>	<p>A reprimand; a one month suspension of her Certificate of Registration, to be remitted upon successful completion within one year of the education program, “Confronting Medication Errors”, offered by the Ontario Pharmacists Association, including Workshop #1, “Understanding the Issues and Dealing with Incidents”, and Workshop #2, “Taking Action to Improve Patient Safety”, at her own expense.</p>
<p>4. Murray Dale: Failed to maintain the standards of practice of the profession in that he dispensed prescription medication without valid authorization.</p>	<p>A reprimand; a one month suspension of his Certificate of Registration; costs in the amount of \$2,000.</p>
<p>5. Diep Nguyen: The member was found guilty of an offence that is relevant to his suitability to practice, namely theft under \$5,000 of non-prescription medications from the pharmacy where he worked.</p>	<p>A reprimand; a two month suspension of his Certificate of Registration.</p>

No.	Finding	Order/Result
6.	<p>Jamaludin Ravji: Failed to maintain the standards of practice of the profession in that he dispensed or allowed the dispensing of prescription medications without authority, dispensed drugs without signing the prescriptions, failed to implement a system for detecting and removing expired drugs from inventory, failed to document dialogue on initial prescriptions, and dispensed unlabelled drugs.</p>	<p>A reprimand; four inspections over the next two years, the cost of each inspection (\$500.00) to be paid by the member (total \$2,000.00); a term, condition or limitation on his certificate of registration that he successfully completes at his own expense within one year the following courses and examinations of the Canadian Pharmacy Skills I Program: (a) "Professional Practice Laboratories", and (b) "Law Lesson #2, The Regulation of Pharmacy Practice", and "Law Lesson #4, Standards of Practice", and "Law Lesson #7, Professional Liability"; and that if he does not successfully complete this remediation within one year his certificate of registration will be suspended until he does so; costs in the amount of \$2,500.</p>
7.	<p>Failed to maintain the standards of practice of the profession resulting in her dispensing APO 400 instead of the prescribed Diclectin Doxylamine Succ/Pyridoxine HCL.</p>	<p>A reprimand.</p>
8.	<p>Findlay's Guardian Drugs: Breaches of the Drug and Pharmacies Regulation Act in that there were labeling discrepancies, inconsistent dialogue documentation, improper narcotic recordkeeping, missing or misfiled longterm care authorizations, and hardcopy authorizations not crossreferenced.</p>	<p>A fine of \$3,500.</p>
9.	<p>Trevor Wrightman: Failed to maintain the standards of practice of the profession in that he billed the Ontario Drug Benefits Plan every 5-6 days for 7 day pillpacks he dispensed.</p>	<p>A reprimand; a two month suspension of his Certificate of Registration, with one month remitted on condition that he successfully complete at his own expense within one year the "Basic Professional Practice Laboratories" course and evaluations in the Canadian Pharmacy Skills Program offered through the Leslie Dan Faculty of Pharmacy at the University of Toronto, and the OCP Jurisprudence Seminar; costs of \$3,000.</p>
10.	<p>Subhashh Parekh: A finding of professional misconduct in that he misappropriated \$25,000 from the pharmacy where he worked, dispensed prescription medication (including a narcotic) without valid authorization, and dispensed in the pharmacy drug samples received from physicians.</p>	<p>A reprimand; a twelve month suspension of his Certificate of Registration, with six months remitted on condition that he successfully completes at his own expense within one year the OCP Jurisprudence Seminar and Examination; costs in the amount of \$10,000.</p>
11.	<p>Abraham Kucyi: A finding of professional misconduct in that he submitted false claims to a third party insurer for medications not prescribed or dispensed.</p>	<p>A reprimand; a six month suspension of his Certificate of Registration; restrictions on his Certificate of Registration such that he attend for psychological counseling and his psychologist</p>

No.	Finding	Order/Result
12.	Tom Dong: The member was found guilty of an offence that is relevant to his suitability to practice, namely theft under \$5,000 (of money from the pharmacy where he worked), of fraud (switching price tags), and possession for the purpose of trafficking.	report to the College every four months, and that he pay for three unannounced inspections at his pharmacy over the next three years; costs in the amount of \$1,500. A reprimand; a twelve month suspension of his Certificate of Registration, with three months to be remitted if he successfully complete within one year the “Advanced Professional Practice Labs” of the Canadian Pharmacy Skills II offered through the Faculty of Pharmacy at the University of Toronto; restrictions on his Certificate of Registration for at least five years that he not be an owner or director of a pharmacy or be a designated manager or narcotic signer at a pharmacy.
13.	Virginia Cirocco/Brian Relph: The corporation of which the members were the pharmacy directors offered a gift, rebate, bonus or other inducement with respect to a prescription or prescription services.	Reprimands; a joint fine in the amount of \$10,000; joint costs in the amount of \$15,000.

OTHER

14.	A member applied for reinstatement of his Certificate of Registration, previously revoked by the Discipline Committee.	Denied.
15.	A member applied to remove certain restrictions previously imposed on her Certificate of Registration by the Discipline Committee.	Granted in part.
16.	A member brought a motion requesting a change of venue for his hearing.	Denied.
17.	A member was alleged to have failed to maintain the standards of practice of the profession in that he dispensed medication labelled as prescribed by the incorrect physician.	The College and the member jointly requested that the allegations be dismissed due to insufficient evidence to support a finding of professional misconduct and the Discipline Committee agreed.
18.	Two members were alleged to have failed to maintain the Standards of Practice of the profession resulting in their dispensing to the patient 10 times the prescribed dose of Interferon.	The College and the members jointly requested that the allegations be dismissed due to insufficient evidence to support a finding of professional misconduct and the Discipline Committee agreed.

No.	Finding	Order/Result
19.	Louis Lam: The member was found guilty of an offence that is relevant to his suitability to practice, namely fraud over \$5,000.	The College and the member jointly requested that the allegations be adjourned sine die in light of the member's resignation from the College, and his undertaking never to reapply for registration, and the Discipline Committee agreed.
20.	A member was alleged to have failed to maintain the standards of practice of the profession resulting in his dispensing prednisone to the patient instead of the prescribed diclectin.	The College and the member jointly requested that the allegations be dismissed due to insufficient evidence to support a finding of professional misconduct and the Discipline Committee agreed.
21.	Four members were alleged to have submitted documents which they knew were false and misleading in that they processed Methadone prescriptions under the name of the patient's spouse.	The College and the member jointly requested that the allegations be dismissed due to insufficient evidence to support a finding of professional misconduct and the Discipline Committee agreed.
22.	A member was alleged to have processed prescriptions without the prescriber's authorization and/or the patients' knowledge, without the appropriate "no substitutions" direction from the prescriber, with a drug cost greater than acceptable standards, and/or with a professional fee charged that was greater than the posted usual and customary fee.	The College and the member jointly requested that the allegations be dismissed due to insufficient evidence to support a finding of professional misconduct and the Discipline Committee agreed.

Financial Statements

Auditor's Report

To the Council of the Ontario College of Pharmacists,

We have audited the statement of financial position of the Ontario College of Pharmacists as at December 31, 2003 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 College'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 College as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian general accepted accounting principles.

The financial statements as at December 31, 2002 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their report dated January 30, 2003.

Toronto, Ontario
February 5, 2004

Hilborn Ellis Grant LLP
Chartered Accountants

Statement of Operations

Year ended December 31, 2003

	2003	2003	2002
	\$	\$	\$
	(note 2)		(notes 7 and 8)
	Budget		
Revenues			
Pharmacist fees	4,643,192	4,783,443	4,297,717
Pharmacy fees	2,080,500	2,154,853	1,614,080
Registration fees and income	353,260	475,706	332,346
Investment	60,000	81,306	73,782
Sundry	<u>216,433</u>	<u>214,582</u>	<u>223,699</u>
	<u>7,353,385</u>	<u>7,709,890</u>	<u>6,541,624</u>
Expenses (Schedule)			
Council and committees	1,791,100	1,700,626	1,743,301
Administration	5,046,938	4,679,160	4,800,944
Property	77,600	57,674	41,371
Niagara Apothecary	<u>27,400</u>	<u>22,497</u>	<u>19,164</u>
	<u>6,943,038</u>	<u>6,459,957</u>	<u>6,604,780</u>
Excess (deficiency) of revenues over expenses from operations for year, before depreciation	410,347	1,249,933	(63,156)
Depreciation	—	<u>531,511</u>	<u>398,039</u>
Excess (deficiency) of revenues over expenses for year	<u>410,347</u>	<u>718,422</u>	<u>(461,195)</u>

Statement of Changes in Net Assets

Year ended December 31, 2003

	Invested in Capital Assets	Unrestricted	2003	2002
	\$	\$	\$	\$
				(notes 7 and 8)
Balance, beginning of year	4,076,133	(257,682)	3,818,451	4,279,646
Excess (deficiency) of revenues over expenses for year	(531,511)	1,249,933	718,422	(461,195)
Investment in capital assets	<u>361,376</u>	<u>(361,376)</u>	—	—
Balance, end of year	<u>3,905,998</u>	<u>630,875</u>	<u>4,536,873</u>	<u>3,818,451</u>

Statement of Cash Flows

Year ended December 31, 2003

Statement of Financial Position

Year ended December 31, 2003

	2003	2002
	\$	\$
		<i>(notes 7 and 8)</i>
Assets		
Current Assets		
Cash	1,204,850	387,335
Accounts receivable	46,186	142,977
Prepaid expenses	<u>168,052</u>	<u>121,950</u>
	<u>1,419,088</u>	<u>652,262</u>
Capital assets <i>(note 4)</i>	<u>3,905,998</u>	<u>4,076,133</u>
	<u>5,325,086</u>	<u>4,728,395</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	715,220	825,521
Obligation under capital lease – current portion <i>(note 5)</i>	<u>15,966</u>	<u>15,316</u>
	<u>731,186</u>	<u>840,837</u>
Obligation under capital lease <i>(note 5)</i>	<u>57,027</u>	<u>69,107</u>
	<u>788,213</u>	<u>909,944</u>
Net Assets		
Net assets invested in capital assets	3,905,998	4,076,133
Unrestricted net assets (deficiency)	<u>630,875</u>	<u>(257,682)</u>
	<u>4,536,873</u>	<u>3,818,451</u>
	<u>5,325,086</u>	<u>4,728,395</u>

Approved on behalf of Council: President, Chair of Finance Committee

	2003	2002
	\$	\$
		<i>(notes 7 and 8)</i>
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses for year	718,422	(461,195)
Depreciation	531,511	398,039
Changes in non-cash working capital		
Decrease (increase) in accounts receivable	96,791	(46,537)
Increase in prepaid expenses	(46,102)	(72,924)
Increase (decrease) in accounts payable and accrued liabilities	<u>(110,301)</u>	<u>111,042</u>
	<u>1,190,321</u>	<u>(71,575)</u>
Cash flows from financing activities		
Proceeds from obligation under capital lease	-	88,800
Repayment of obligation under capital lease	<u>(11,430)</u>	<u>(4,377)</u>
	<u>(11,430)</u>	<u>84,423</u>
Cash flows from investing activities		
Additions to capital assets	<u>(361,376)</u>	<u>(714,694)</u>
Net increase (decrease) in cash during year	817,515	(701,846)
Cash, beginning of year	<u>387,335</u>	<u>1,089,181</u>
Cash, end of year	<u>1,204,850</u>	<u>387,335</u>
	<u>2003</u>	<u>2002</u>
	\$	\$
Supplementary Disclosure of Cash Flow Information		<i>(notes 7 and 8)</i>
Interest paid	11,003	2,787
Income taxes paid <i>(note 3(d))</i>	-	-

Schedule of Expenses

Year ended December 31, 2003

	2003	2003	2002
	\$	\$	\$
	<i>(note 2)</i>		
	Budget		
Council and Committees			
Council	100,000	110,179	86,102
District/Regional	6,400	1,235	56,191
Committees			
Accreditation	36,000	8,634	32,170
Communication	278,500	263,311	185,456
Complaints	20,000	34,672	23,703
Discipline	402,000	421,337	561,921
Executive	70,000	50,481	50,633
Finance	3,000	2,388	4,818
Fitness to Practice	78,000	109,124	57,367
Patient Relations	5,000	86	514
Pharmacy technician regulation	89,000	36,587	38,380
Professional Practice	20,000	29,850	21,188
Quality Assurance	415,200	400,014	388,688
Registration	96,000	76,390	77,405
Structural Practical Training	159,500	135,526	136,057
Special	12,500	20,812	22,708
	<u>1,791,100</u>	<u>1,700,626</u>	<u>1,743,301</u>
Administration			
Personnel	3,738,788	3,616,814	3,463,405
General			
Association dues – NAPRA	-	-	125,822
Association fees	7,000	5,241	5,688
Audit	9,500	9,940	8,500
Bank charges	12,000	11,401	9,589
Consulting general	44,000	39,263	51,718
Continuing education initiatives	12,600	6,682	7,053
Courier/delivery	7,800	7,684	6,111
Donations, contributions and grants	8,000	7,290	5,807
Election expenses	10,000	17,580	9,962
Equipment leasing and maintenance	248,000	189,906	229,057
Examinations, certificates and registrations	52,400	46,428	31,993
Interest on capital lease	-	11,003	2,787
Investigation	225,000	97,680	253,292
Legal	20,000	46,636	38,258
Insurance errors and omissions	25,000	40,627	17,408

Schedule of Expenses
(continued)

	2003	2003	2002
	\$	\$	\$
	(note 2)		
	Budget		
Pharmacy technician	34,600	26,755	21,207
Postage	77,000	62,472	75,741
Printing/publications	114,600	99,863	107,628
Subscriptions and publications	13,000	9,848	9,565
Supplies/stationery	82,650	61,142	78,094
Telephone/facsimile	96,500	78,062	75,172
Travel and conventions	<u>208,500</u>	<u>186,843</u>	<u>167,087</u>
	<u>5,046,938</u>	<u>4,679,160</u>	<u>4,800,944</u>
Property			
Building improvements	17,700	18,087	26,537
Insurance	25,900	24,760	19,681
Maintenance and repairs	52,000	63,286	59,939
Taxes	54,000	22,344	19,324
Utilities	33,000	34,220	30,537
Financing costs	—	—	539
	182,600	162,697	156,557
Rental income	84,000	88,032	85,234
Management fees	<u>21,000</u>	<u>16,991</u>	<u>29,952</u>
	<u>77,600</u>	<u>57,674</u>	<u>41,371</u>
Niagara Apothecary			
Salaries and administration	32,000	32,387	32,845
Insurance	3,300	4,098	3,925
Utilities	3,500	3,960	3,727
Building improvements and maintenance	1,200	1,372	1,101
Publicity	1,000	442	455
Miscellaneous	2,000	1,334	1,793
Cost of sales	<u>8,000</u>	<u>6,589</u>	<u>5,749</u>
	51,000	50,182	49,595
Sales, grants and sundry donations	<u>23,600</u>	<u>27,685</u>	<u>30,431</u>
	<u>27,400</u>	<u>22,497</u>	<u>19,164</u>

Notes to Financial Statements

December 31, 2003

1. Description of Organization

The Ontario College of Pharmacists ("College") was incorporated as a non-share capital corporation in 1871 under the laws of Ontario. The College is the licensing and regulatory body for pharmacy in Ontario under the authority of the Pharmacy Act, 1993. The College administers various related statutes and is one of 21 health colleges established under the Regulated Health Professions Act to regulate health professions in Ontario.

2. Financial Statement Presentation

The budgeted figures are presented for comparison purposes only and are not audited.

3. Significant Accounting Policies

a. Capital Assets

Capital assets are recorded at acquisition cost. Depreciation is provided for based on the estimated useful life of the assets as follows:

- i. Building – 4% declining balance
- ii. Furniture and Equipment – 15% declining balance
- iii. Computer Equipment – straight-line over 3 years
- iv. Computer Software – straight-line over 2 years
- v. Customized Computer Software – 30% declining balance

b. Equipment Under Capital Leases

The College leases certain of its equipment under capital lease agreements. The assets and liabilities under capital leases are recorded at the lesser of the present value of aggregate future minimum lease payments, including estimated bargain purchase options, or the fair value of the assets under lease. Assets under capital leases are amortized over the shorter of the lease term or useful life of the assets.

c. Revenue Recognition

Membership fees are recognized as revenue in the period to which the membership relates. The membership year coincides with that of the fiscal year of the College, being January 1 to December 31.

d. Income Taxes

As a not-for-profit professional membership corporation, the College is not liable for income taxes.

e. Financial Instruments

The College's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and obligations under capital lease. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. It is management's opinion that the College is not exposed to significant interest, currency or credit risks arising from these financial instruments.

f. Management 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 dates of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Actual results could differ from these estimates.

4. Capital assets

			2003	2002
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
	\$	\$	\$	\$
Land	363,134	-	363,134	363,134
Building	3,906,172	1,079,375	2,826,797	2,944,581
Furniture and equipment	803,013	564,556	238,457	295,398
Computer equipment and software	2,058,961	1,581,351	477,610	197,224
Computer equipment and software in progress	-	-	-	<u>275,796</u>
	<u>7,131,280</u>	<u>3,225,282</u>	<u>3,905,998</u>	<u>4,076,133</u>

5. Obligation Under Capital Lease

	2003	2002
	\$	\$
Obligation under capital lease, 9.8%, due December 25, 2007, with purchase option at that date in the amount of \$10, secured by certain equipment, monthly blended payments of \$1,869	72,993	84,423
Less: Obligation under capital lease – current portion	<u>15,966</u>	<u>15,316</u>
	<u>57,027</u>	<u>69,107</u>

Principal payments due in each of the next five fiscal years are as follows:	2004 \$15,966
	2005 17,603
	2006 19,408
	2007 <u>20,016</u>
	<u>\$72,993</u>

6. Commitments and Contingencies

- a) The College has agreed to maintain and operate the Niagara Apothecary to the year 2005.
- b) The College is presently involved in a legal dispute, the outcome of which is not determinable at this time. Management believes the claim is without merit. The amount of any contingent loss cannot be reasonably estimated. Any settlement resulting from the resolution of this contingency will be accounted for as a charge to income in the period in which the settlement occurs.
- c) The College is committed to operating leases for office equipment and automobiles as follows:

2004	\$150,913
2005	122,510
2006	38,301
2007	<u>6,568</u>
	<u>\$318,292</u>

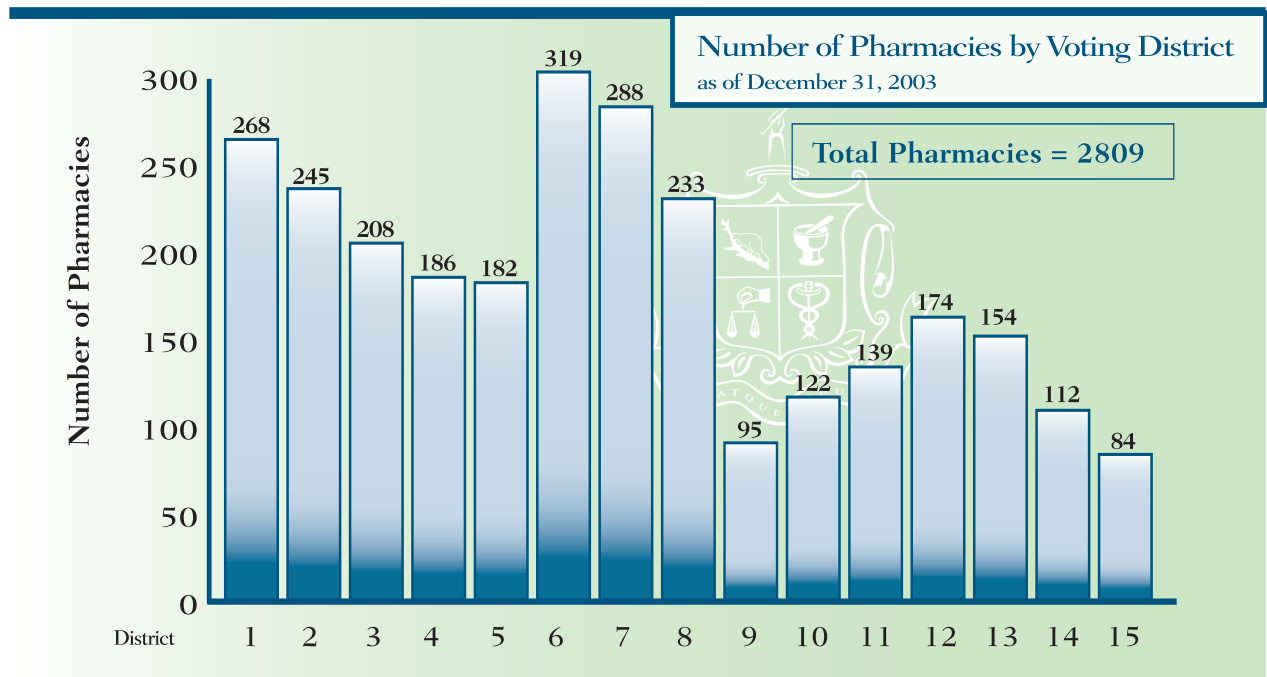
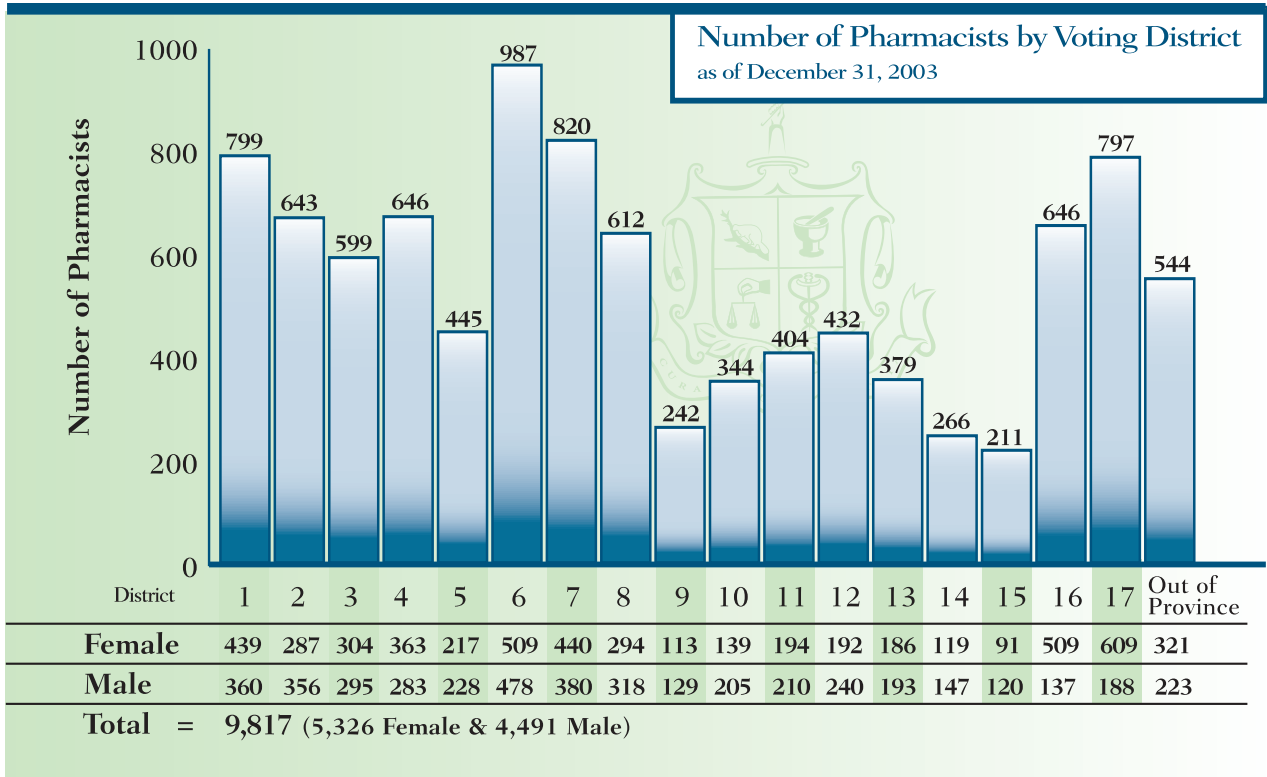
7. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the current year's presentation and to effect the correction of a prior period error as described in note 8.

8. Correction of a Prior Period Error

During fiscal 2003, the College adopted the accrual basis of accounting for Investigations and Resolutions. The correction was accounted for retroactively with restatement of all prior periods reported. The effect of this correction on prior periods was treated as an adjustment of the opening balance of unrestricted net assets, decreasing the January 1, 2002 balance by \$328,200 and the opening balance of accounts payable and accrued liabilities, increasing the January 1, 2002 balance by \$328,200.

STATISTICS



Number of Pharmacists by Employment Type

(By voting district) as of December 31, 2003

Voting District	Community & Hospital	Academia & Government	Industry & Other Professions	Administration & Associations	Students	Retired & Unemployed	Total Pharmacists
1-15 Community Practice in Ontario	6,687	109	409	102	6	514	7,827
16-17 Hospital Practice in Ontario	1,374	17	5	4	3	41	1,444
In Other Provinces	125	9	27	6	2	29	198
In the United States	129	17	50	3	2	32	233
In Other Countries	59	11	25	4	-	15	114
Total in Ontario	8,061	126	414	106	9	555	9,271
Total Outside Ontario	313	37	102	13	4	76	545
Total	8,374	163	516	119	13	631	9,816

Pharmacists in Part A of the Register: 9,118

Pharmacists in Part B of the Register: 707

Deletions from the Register in 2003

	Female	Male	Total
Resignations	62	61	123
Suspensions	1	7	8
Cancellations	19	19	38
Deceased	1	9	10
Total Deletions	83	96	179

Additions to the Register in 2003

	Female	Male	Total
University of Toronto	78	36	114
From Other Provinces	62	33	95
From Other Countries	58	83	141
Total New Registrants	216	163	379
Reinstatements	3	1	4
Totals	219	164	383

Registered Students & Interns

As of December 31, 2003

	Female	Male	Total
University of Toronto	78	36	114
From Other Provinces	62	33	95
From Other Countries	76	94	170
Total Students & Interns	216	163	379

Other Pharmacy Statistics

2003 Totals

Openings	88
Closings	39
Sales	208
Relocations	50

