



Audit and Finance Committee Report for 2023 Annual General Meeting

Chair: Janet McCutcheon
Members: Candace Chartier, Michael Cheung, Andrew Hamilton, Tim Langford, Mina Maseh, Sayeh Radpay
Staff Liaisons: Maria Kukhta, Amedeo Zottola
Ex-officio: Tim Brady

Under its Charter, the Audit and Finance Committee's (AFC's) role includes all duties for audit and finance, oversight of the Association's investments while maintaining a strong, stable financial position and safeguarding assets in anticipation of future needs.

The Board was presented with a budget for fiscal 2022 as the final year of a three-year plan to invest in Information technology and human resources. The investment is driving a strategy of innovation and business partnerships to diversify and increase revenue, while enhancing communications and advocacy. The budgeted deficit expected for 2002 of (\$197,771), accounts for approximately 3.6% of total budgeted expenditures.

The tailing effects of the COVID-19 Pandemic continue to result in pressures on the revenue lines.

2022 Results

The operating results for 2022 produced a small surplus of \$3,262. This breakeven position was a greatly improved result to the expected budgeted deficit for 2022, set at (\$197,771). Revenues increased in 2022 by 3.1% over 2021 results while total expenses remained consistent, increasing by 0.5% over total expenses in 2021. In 2022, there was an increase in returning to more in person meetings and outreach with members, as well as business development and partnership opportunities. The established ability to work from home, provided the Association with reduced costs in some areas.

The addition of Other Income and Expenses brought our 2022 results to a deficit of (\$552,722) of which (\$810,324) is related to the regulated accounting inclusion of fair market adjustment to investments (unrealized gains or losses of as at December 31, 2022). These unrealized gains or losses on investments will fluctuate with the market until sold and realized and have already seen some rebound as of the date of this report.

Highlights are as follows:

- Public and government relations expenditures decreased while maintaining our efforts in the area of government relations, heightened by the continued successes in 2022 with Government for the profession.
- Our IT transformation continued enhancing components of our new Website, Learning Management System and Customer Relations Management System.
- A return to in-person meetings at the Board of Directors level and meetings with members and partners has increased opportunities into the future.
- Staff and Board training expenditures include costs for the development of the new three-year strategic plan.
- Corporate Branding continues to advance our business opportunities on our website and through marketing efforts.
- Membership Services costs increased to allow for greater student and member outreach, in addition to conducting a membership survey in 2022.

Moving Forward

The Audit and Finance Committee provided for an estimated operating deficit of (\$257,013) in 2023, approved by the Board of Directors. The budget for 2023 is a further commitment of the committee and board, through its new three-year strategic plan, to invest in the resources and approach to lead to more positive and new revenue results through partnerships and business opportunities, with the objective of revenue diversification and sustainability. Moving into 2023, the Association has made investments into technology organizations related to the profession of pharmacy as part of its objective of revenue diversification and opportunity. These investments related to software platforms will aid our members' operating environments through effective streamlining and time efficiencies.

The Association will continue its advocacy efforts for fair reimbursement for pharmacy professionals, while pursuing increasing opportunities with Minor Ailment Prescribing Authority, along with the other opportunities for the Association that will continue to increase the pharmacy professional's position in the delivery of healthcare in Ontario.

As of December 31, the Association received membership fees in advance and funds for programs under administration of \$2,458,091 and \$301,321 respectively which will be reported as revenue in 2023.

The AFC continues to maintain a philosophy of fiscal responsibility, to exercise due diligence in approving expenditures, and to report on a risk-management basis to the Board of Directors.

The member-appointed accounting firm of McCarney Group LLP performed the audit on the Association's financial results for 2022 and provided members of OPA with an unqualified report on the Association's 2022 financial statements. The financial position of the Association remains strong, and its net assets are considered conservative and continue to be in line with OPA's not-for-profit status.



The strength of any committee comes from the dedication and enthusiasm of its members. Participation on the AFC requires a great deal of time and energy, and I would like to sincerely thank the committee members and staff for their commitment and hard work during the past year. It has been a pleasure to work with each of them.

Respectfully submitted,

Janet McCutcheon
Chair, Audit and Finance Committee