

## Audit and Finance Committee Report for 2024 Annual General Meeting

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

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 2024 as the second year of a three-year plan to continue to pursue a strategy of innovation and business partnerships to diversify and increase revenue, while enhancing communications and advocacy. The budgeted deficit approved for 2023 of (\$257,013), accounts for approximately 4.7% of total budgeted expenditures.

### **2023 Results**

The operating results for 2023 produced a deficit of (\$144,901). This actual result is a greatly improved position to the expected budgeted deficit for 2023, set at (\$257,013). Revenues decreased in 2023 by 5% compared to 2022 while total expenses decreased by 2%. In 2023, we continued to increase our efforts in returning to more in person meetings and outreach with members, as well as business development and partnership opportunities. The expected delivery of a networking event, RxTalks, was postponed and delivered early in 2024.

The addition of Other Income and Expenditures brought our 2023 results to a surplus of \$110,983 of which \$246,607 is related to the regulated accounting inclusion of fair market adjustment to investments (unrealized gains or losses as of December 31, 2023). These reported unrealized gains on investments in 2023 will fluctuate with the market until sold and realized.

Highlights are as follows:

- Public and government relations expenditures increased in 2023 while maintaining our normal efforts of government relations, heightened by the Minor Ailments announcements and continued successes with Government for the profession.
- Professional development had a net growth of 25% on the strength of Minor Ailment programming.
- Staff and board training included training on Equity, Diversity and Inclusion in 2023.
- Member services costs were reduced as the member survey is being considered every second year.
- Corporate Branding initiatives are being delivered by electronic means, reducing costs.
- General office costs continue to benefit from the work from home environment.

**Moving Forward**

The Audit and Finance Committee provided for an estimated operating deficit of (\$102,403) in 2024, approved by the Board of Directors. The budget for 2024 is a further commitment of the committee and board, through its 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 2024, the Association continues to look to achieve both organic and inorganic growth while innovating and modernizing to achieve improved member and stakeholder engagement.

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. The Association has embarked on Third Party Payor initiatives looking to improve the working relationship for Pharmacy.

As of December 31, the Association received membership fees in advance and funds for programs under administration of \$2,404,447 and \$475,699 respectively which will be reported as revenue in 2024.

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 2023 and provided members of OPA with an unqualified report on the Association's 2023 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,

Andrew Hamilton  
Chair, Audit and Finance Committee