

Ontario College of Teachers

Financial Report

September 30, 2021

Ontario College of Teachers

Financial Report

Results for the period ending September 30, 2021

The College's third quarter spending continues to reflect COVID-19 pandemic workplace restrictions and the ensuing move to facilitate more on-line meeting and business sessions resulting in less travel and accommodation. The College's financial position is not expected to be adversely impacted by the pandemic over the last quarter of 2021.

Revenues

College revenues as of the September 30, 2021, reflect the majority of the annual membership fees being successfully collected representing \$38,978,490 or 98.2% of the membership revenue base. The balance of the memberships outstanding are expected to be collected over the last quarter.

The collection of 2021 other fee revenue represents \$1,104,475 or 72.7% of the annual budget largely attributed to registration fees, evaluations, and member reinstatements.

Advertising revenue is at 52.5% of budget or \$448,973 representing revenue from advertising partners for both the College magazine and website over three operating quarters which is similar to last year's collections during the same period.

Investment returns on short-term instruments equal \$197,391 or 54.8% of the budget representing an expected market return on investment for this period.

Expenses

The College's expenditures represent 69.5% of the annual budget after the third quarter or \$31,264,774. A comparison of spending in 2020 at the same period reflects a similar spending pattern. Of note the \$3,907,950 underspending related to travel and hospitality, conferences, office supplies, and catering expenses directly attributed to the College on-site occupancy restrictions and a move to virtual meetings. In a normal year these expenses would be approximately \$2,328,620 spent by the end of the third quarter. This underspending trend will be monitored closely over the last quarter.

As of September 30, 2021, Investigations and Hearings pace of spending was \$4,017,086 or 83.9% similar to the same period last year. The single largest cost driver continues to be discipline activities legal costs. Corporate and Council Services spending patterns translated to \$4,696,681 or 56.4% of budget similar to the same period last year and reflective of pandemic like conditions.

Standards of Practice and Accreditation was 60.4% or \$423,117 spent up from the same period last year. The major spend for the department related to AQ programs and accreditation activities.

The College spending patterns will be closely monitored over the last quarter to determine the extent of the overall trend to underspend.

Fred Towers, MBA, CPA
Controller

Ontario College of Teachers

For the Period Ending September 30, 2021.

Statement of Operations

(in thousands of dollars)

	Actual 30-Sep-21	Actual % of Budget	Budget 2021	Actual % of 30-Sep-20	Actual 30-Sep-20	Actual 31-Dec-2020
Revenue						
Annual Membership Fees	38,978	98%	39,708	100%	38,862	39,468
Unearned Portion of AMF	(9,198)	0%	0	100%	(9,204)	0
Other Fees	1,104	72%	1,535	111%	995	1,419
Advertising Revenue	449	53%	855	92%	490	636
External Project Funding	0	0%	0	0%	0	0
Investment & Other Income	197	55%	360	68%	291	321
Total Revenue	31,532	74%	42,458	100%	31,434	41,844
Expense						
Employee Compensation	17,715	74%	23,875	103%	17,229	23,088
Council and Committees	413	46%	898	92%	450	633
Membership Services Department	17	25%	66	66%	25	25
Investigations & Hearings	4,017	84%	4,790	99%	4,055	5,740
Standards of Practice and Accreditation	423	60%	700	209%	202	284
Office of the Registrar & Finance	590	85%	698	133%	444	516
Corporate and Council Services	4,697	56%	8,334	100%	4,673	6,249
Occupancy Costs 101 Bloor West	1,232	57%	2,146	88%	1,398	1,792
Public Awareness Initiative	0	0%	0	0%	0	0
Council Elections	6	2%	287	100%	22	32
Amortization	2,155	67%	3,198	109%	1,983	2,097
Total Expense	31,265	69%	44,992	103%	30,481	40,456
Net Surplus/(Deficit)	267	-11%	(2,534)	28%	953	1,388
Extraordinary Items:						
Property Tax and GST Recoveries	0	0	0	0	0	0
Net Surplus/(Deficit) for the College	267	-11%	(2,534)	28%	953	1,388

Ontario College of Teachers

Balance Sheet

As At September 30, 2021

	30-Sep-21 (\$000)	31-Dec-20 (\$000)
ASSETS		
Current Assets		
Cash and Investments	14,391	1,618
Restricted Cash	4,822	7,743
Accounts Receivable	288	242
Prepaid Expenses	181	224
Capital Assets	6,914	6,383
Leasehold Improvements	5,028	5,813
Building	8,022	8,343
Land	7,660	7,660
Total Assets	<u>47,305</u>	<u>38,025</u>
Liabilities and Members' Equity		
Current Liabilities		
Accounts Payable and Accrued Liabilities	4,422	4,072
Unearned Annual Membership Fees	9,198	0
Deferred Revenue	773	1,002
Deferred Salaries	497	430
Mortgage	12,961	13,333
Members' Equity	19,455	19,188
Total Liabilities and Members' Equity	<u>47,305</u>	<u>38,025</u>