

Ontario College of Teachers

Financial Report

March 31, 2021

Ontario College of Teachers

Financial Report

Results for the period ending March 31, 2021.

Overall, the 2021 first quarter College program revenue collections were well within normal collection expectations. In terms of the College's expenditure experience, the realities of the COVID-19 pandemic lockdowns continue to have an impact. The financial spending trends for the first quarter were less than a normal fiscal period and more in line with the 2020 previous year spending patterns when the pandemic began to impact operations.

Revenues

A significant portion of the annual membership fees were collected as expected in the first quarter of 2021 representing \$35,010,828 or 88.2% of the membership revenue base. The 2021 collection rate is comparable to a normal year of activity: analogous to the College's pre-pandemic experience.

The collection of 2021 other fee revenues approximate the previous year's pattern. To date \$613,945 or 40% of the annual budget has been collected largely attributed to registration fees, member reinstatements, and evaluations.

Advertising revenue is at 18.5% of budget or \$158,548 representing revenue from advertising partners for both the College magazine and website over the first quarter slightly less than last year's collections after the same collection time frame.

Investment returns on short-term instruments of \$59,197 or 16.4% of budget reflect better returns on investment from the College's treasury account when compared to short-term instruments over the first quarter.

Expenses

Overall, the College expenditure experience represents 22.8% of the annual budget after the first quarter or \$10,238,116 as expected considering the COVID-19 lockdowns.

Corporate and Council Services spending patterns were slightly less than the same period last year at \$1,576,663 or 18.9% of budget representing underspends in Communications, Policy & Programs, and Business Services. The program spends have been curtailed by the constraints imposed by the pandemic.

Investigations and Hearings first quarter spending was less than the same period last year at \$1,197,150 or 25% of budget. The decline can be attributed to the impacts of the governance transition which resulted in reduced panel capacity at DC and FTPC over the first quarter. When compared to the same period last year discipline activities spending is down by \$409,733 directly related to the lower volume of hearings and pre-hearing conferences.

The Standards of Practice and Accreditation first quarter spend was 9.0% or \$63,362 slightly less than the same period last year. The department underspent across the board including underspending related to AQ programs and accreditation activities; all impacted by the continued lockdown.

The overall impacts of the pandemic on College spending patterns are expected to continue and be reflected in the College's report out over the second quarter. The financial risk to the College is assessed to be low at this time. This assumption is predicated on a plan to collect outstanding membership fees and to monitor spending patterns closely and take corrective action as required.

Fred Towers, MBA, CPA
Controller

Ontario College of Teachers

For the Period Ending March 31, 2021.

Statement of Operations*(in thousands of dollars)*

	Actual 31-Mar-21	Actual % of Budget	Budget 2021	Actual % of 31-Mar-20	Actual 31-Mar-20	Actual 31-Dec-2020
Revenue						
Annual Membership Fees	35,011	88%	39,708	103%	34,000	39,468
Unearned Portion of AMF	(25,084)	0%	0	104%	(24,114)	0
Other Fees	614	40%	1,535	123%	500	1,419
Advertising Revenue	159	19%	855	79%	201	636
External Project Funding	0	0%	0	0%	0	0
Investment & Other Income	59	16%	360	46%	128	321
Total Revenue	10,759	25%	42,458	100%	10,715	41,844
Expense						
Employee Compensation	5,820	24%	23,875	104%	5,579	23,088
Council and Committees	147	16%	898	76%	194	633
Membership Services Department	1	2%	66	5%	21	25
Investigations & Hearings	1,197	25%	4,790	72%	1,668	5,740
Standards of Practice and Accreditation	63	9%	700	62%	103	284
Office of the Registrar & Finance	318	46%	698	132%	241	516
Corporate and Council Services	1,577	19%	8,334	95%	1,659	6,249
Occupancy Costs 101 Bloor West	397	18%	2,146	84%	473	1,792
Public Awareness Initiative	0	0%	0	0%	0	0
Council Elections	0	0%	287	100%	0	32
Amortization	718	22%	3,198	109%	661	2,097
Total Expense	10,238	23%	44,992	97%	10,598	40,456
Net Surplus/(Deficit)	521	-21%	(2,534)	446%	117	1,388
Extraordinary Items:						
Property Tax and GST Recoveries	0	0	0	0	0	0
Net Surplus/(Deficit) for the College	521	-21%	(2,534)	446%	117	1,388

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Balance Sheet

As At March 31, 2021

	31-Mar-21 (\$000)	31-Dec-20 (\$000)
ASSETS		
Current Assets		
Cash and Investments	29,910	1,618
Restricted Cash	4,822	7,743
Accounts Receivable	260	242
Prepaid Expenses	108	224
Capital Assets	6,521	6,383
Leasehold Improvements	5,551	5,813
Building	8,236	8,343
Land	7,660	7,660
Total Assets	<u>63,067</u>	<u>38,025</u>
Liabilities and Members' Equity		
Current Liabilities		
Accounts Payable and Accrued Liabilities	3,600	4,072
Unearned Annual Membership Fees	25,084	0
Deferred Revenue	1,032	1,002
Deferred Salaries	433	430
Mortgage	13,209	13,333
Members' Equity	19,709	19,188
Total Liabilities and Members' Equity	<u>63,067</u>	<u>38,025</u>