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22

Annual Report



Adapt. Enhance. Progress.



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Last year's Annual Report was headlined: Like no year before. As the pandemic continued through 2021 and into 2022, with ever-shifting public health guidelines

and continued uncertainty, it feels like that headline is evergreen. But so too, then, is the resilience and dedication of this profession and all the RECEs who have continued to provide outstanding care and education for children and families of Ontario.

This year, we continued to deliver on our mandate of public protection, providing new resources to support our members to practise with inclusivity, professionalism and a commitment to anti-racism. We launched a new Sexual Abuse Prevention Program as a part of our members' required ongoing education, and we took care to consider and incorporate a range of self-care resources for members to use while engaging with its content. We created new opportunities to grow our profession, by approving new programs and recommending new models for membership classes. We made incredible progress in modernizing technologies and processes at the College, to increase our efficiency and enhance our work with, and for, our members and stakeholders. And we did it all while continuing to navigate our way through a changing pandemic environment.

This year, we also saw the federal government and Ontario (along with other provinces) sign an historic national child care agreement to give families access to more affordable and high quality child care options; a clear acknowledgement of the critical importance of our sector, but one that puts pressure on our already under-resourced profession to grow quickly to meet the needs of an eager population of parents and caregivers. As the College continues to support the profession and work to achieve and accommodate the required growth, there will be more change to come. In my role as the Chair of Council, as a part of the leadership of this amazing profession, I am proud and optimistic. I see what the College has planned, and I see how much we've been able to achieve that sets the stage to enable positive change ahead.

And so, as we close out another "unprecedented" year and look forward, we are ready at the College. We will continue to adapt to ongoing change, and the evolving needs of our members and the children and families we serve. We will continue to enhance the work that we do to protect the public interest, the standards of practice that ensure the highest quality of early learning, and the reputation and respect for our profession. And we will continue our progress into 2023 and beyond.





As I reflect on the 2021-2022 year at the College, I am struck by the strength, dedication and resilience of our members, our staff and our Council. Over the past few years,

we've talked about flexibility and the willingness to adapt to ever-changing circumstances, but this year, as I write my third Annual Report message that reflects on our work in pandemic circumstances, it is our collective endurance that impresses me most. We have not stopped; we have pressed on, undeterred and – as you will see throughout the Report – accomplished a tremendous amount this year to support excellence in the profession and to deliver on our mandate to serve and protect the children and families of Ontario'.

This year marks the completion of the College's 2018-2022 strategic plan. The plan was originally intended to be executed over a three-year span, wrapping up in 2021, but was extended in 2020 in recognition of the additional challenges brought forward by the pandemic and the necessary adaptations required to respond to the COVID-related issues faced by our members and stakeholders.

If we had to pinpoint a singular focus of this strategic plan, it would be all about maturation: of the College, as we developed, enhanced and made more efficient our processes, policies and infrastructure; and of the profession itself, as we moved into more dialogue around leadership and professionalism. At the beginning of our work under this strategic plan, we launched the current edition of the Code and Standards, which states clearly that "all registered early childhood educators, regardless of position or

title, are leaders". Over the past few years, the profession has demonstrated this truth time and time again. In the years to come, as we continue to mature as a College, and as the profession continues to grow and evolve, we aim to shine a light on the leadership, strength and dedication of RECEs, increasing awareness of their expertise, and the valuable role of the profession across the province.

While we never could have anticipated what was to come when the plan was drafted, the focus of much of our work under this strategic plan set us up to be more responsive, efficient and accessible. Among other things, we modernized our infrastructure, migrating our operations to cloud-based technology, allowing better access to the College and more efficient collaboration for members and our staff. We transitioned our elections, Council and Committee meetings and Discipline hearings to virtual, making participation in the College, its governance and regulatory processes more accessible to all members, regardless of geography. We simplified our Continuous Professional Learning (CPL) program process to make it easier and more efficient for RECEs to understand and meet their ongoing education requirements.

We also completed the development of our new strategic plan, which will guide the work of the College from 2022-2027. The successes of this year – and the last four years – prepare the College and the profession to work towards our next goals. I'm deeply proud of this Council, and our College staff, for everything we've managed to accomplish together in unpredictable and challenging circumstances, and our determination to rise to new challenges in the days and years ahead.

03 About Us



• • • Vision

Leadership in early learning and care by trusted, accountable professionals.



• • • Mission

Serve and protect the public interest by regulating the profession of early childhood education.



• • • Mandate

The College, with more than 59,000 registered members, regulates and governs the profession of early childhood education in the public interest.



• • • Values

- Transparency and Accountability
- Integrity and Fairness
- Professionalism and Leadership
- Inclusion and Respect



• • • Commitment to Anti-Racism

We are committed to embedding anti-racism into all of our work. We acknowledge this ongoing effort is necessary to fulfil our responsibility of regulating a diverse profession in the interest of all children and families in Ontario.

• • • Code and Standards

The College's Code of Ethics and Standards of Practice (Code and Standards) sets out the professional knowledge, skills, values and expectations applicable to all Registered Early Childhood Educators regardless of their role or practice setting.

The Code and Standards reflect the high ethical and practice standards that the profession has set for itself and serve as the basis upon which RECEs are held accountable for their practice. They are critical to ensuring high quality early learning and child care environments.

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The Executive Leadership Team



Beth Deazeley, LL.B
Registrar and CEO

“ Looking back at what we’ve achieved under the 2018-2022 Strategic Plan in unpredictable and challenging circumstances, I’m deeply proud of our Council and College staff. I’m also reflecting on the incredible strength and leadership demonstrated by the profession. In the years ahead, we will continue to ensure that RECEs enter the profession prepared and are supported throughout their careers to practice at the highest standards.”



Dr. Cynthia Abel, Ed.D, RECE
Deputy Registrar and Director, Registration

“ With the efforts of the Registration Committee and staff, we completed objectives under the final year of the College’s 2018–2022 Strategic Plan and laid the groundwork to enhance entry to practice pathways. In particular, the completion of the policy work for the initial phase of our Modernizing Membership initiative will serve the College well as we navigate the complex workforce challenges in the early learning sector that will continue to evolve with the new Canada Wide Early Learning and Child Care Agreement.”



Melanie Dixon, RECE
Director, Professional Practice

“ Over the past few years, the Professional Practice team, with contributions from RECEs and stakeholders and oversight of our Council and Standards of Practice Committee, have provided an extensive set of new tools to support practice approaches of our members, including resources aligned with our commitment to anti-racism. This collaboration also supported the launch of a revised Continuous Professional Learning (CPL) Program alongside the new Sexual Abuse Prevention Program member education. We can all be very proud of what we have achieved together.”

The Executive Leadership Team



Betsy Hilton

Director, Communications and Stakeholder Relations

“ This has been a very exciting time to join the College, just as we finished off our year in June. The Communications and Stakeholder Relations group this past year demonstrated exceptional flexibility in uncertain circumstances, delivered strong support to teams across the College, and ensured that our members and stakeholders have been well-informed and engaged as the College has delivered on its mandate and strategic priorities. I look forward to continuing to build our team and our relationships as we move forward.”



Kimbalin Kelly

Chief Operating Officer

“ The Corporate Services team has achieved a staggering amount this year, all in anticipation of efficiently supporting the College in its next steps. We have modernized our technological systems and set ourselves up to provide strong, multi-year support for our members, our staff and our stakeholders. We have set the stage for growth and change, and we are ready for what is to come.”



Pauline Walters

Director, Professional Regulation

“ Building on the success of the previous year, the Professional Regulation team continued to make tremendous progress in addressing the volume of cases in a timely and effective manner, while at the same time enhancing the expertise on our team and our Committee. I’m incredibly proud of this team’s successes, including recording our lowest number of active cases in five years as we close out this strategic plan. We are well set up for the years ahead.”

Council and Committees

Chair

Kristine Parsons RECE

Vice Chair

Laura Urso RECE



Elected Members

Kim Cole RECE

Julie Cyr RECE

Lindsey Dann RECE

Tricia Doyle RECE

Millie Forbes RECE

Yalin Gorica RECE

Paul Jackson RECE

CeCil Kim RECE

Ela Smith RECE

Stacee Stevenson RECE

Richard Stronach RECE

Teresa Sulowski RECE



Publicly Appointed Members

Garry Bates

Geneviève Breton

Mary Broga

Pam Carkner

Adesua Ezeokafor

Richard Fillion

Cindy Harrison

Shernett Martin

Ulana Pahuta

Barney Savage

Council and Committees

• • • Council Committees



Executive

Oversees strategic planning, policy development and College governance. Responsible for the performance of Council and committees and best practices in governance.

Key Focus: Monitors achievements under the strategic plan, ensures effective functioning of Council and encourages member engagement in governance.



Finance & Audit

Supports Council in fulfilling its duty to oversee the College's financial position, practices, controls and reporting, as well as financial risk management.

Key Focus: Ensures the integrity of financial reporting and the sustainability of the College's operations.



Standards of Practice

Advises Council on policy direction in relation to the profession's Code and Standards and the Continuous Professional Learning (CPL) Program. Oversees the development of member resources.

Key Focus: Produces resources related to the Code and Standards, oversees the CPL Program and explores concepts of leadership and professionalism.



Registration

Advises Council on strategic policy direction related to the requirements for registration, assessment of qualifications and approval of education programs.

Key Focus: Develops policy options for entry to practice and standards for registration that reflect the evolving realities of the sector.

Council and Committees

• • • Council Committees



Registration Appeals Committee

Reviews registration applications at the request of applicants if the Registrar has proposed to refuse to issue a Certificate of Registration or to impose terms, conditions or limitations on a Certificate.

Key Focus: Ensures that individual appeal decisions are objective, fair and transparent.



Complaints

Considers complaints regarding the conduct of members of the College and determines the appropriate action to be taken, which may include referral to the Discipline or Fitness to Practise Committee.

Key Focus: Makes decisions in relation to complaints and mandatory employer reports.



Fitness to Practise

Conducts hearings in relation to allegations of incapacity which have been referred by the Complaints Committee in which a member may be unable to safely practise the profession due to a physical or mental condition.

Key Focus: Makes decisions which protect the public interest while respecting members' privacy and supporting a safe return to practice.



Discipline

Conducts hearings in relation to allegations of professional misconduct or incompetence on the part of members of the College which have been referred by the Complaints Committee.

Key Focus: Discipline proceedings and decisions that are fair, timely and transparent.

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Strategic Priorities and Achievements

• • • Entry to Practice

The College based its activities for 2021-2022 on the strategic priorities approved by Council for 2018–2022. These priorities advance the College’s mandate to protect the public and support the professionalism of RECEs through entry to practice requirements, continuing competence resources and professional regulation activities. The College’s operations, communications and governance are essential to our ability to deliver on these objectives.

The end of this fiscal year also marks the end of the 2018-2022 Strategic Plan, and these achievements set the College up to commence work on the goals and objectives laid out in the [new 2022-2027 Strategic Plan](#).

Process efficiency

Practice readiness

Membership structure

Key Achievements:

- Removed a barrier to registration by eliminating the requirement for applicants/members to provide proof of their eligibility to work in Canada resulting in the removal of 2,186 conditions from certificates of registration. Members no longer must report changes in immigration status to the College.
- Completed the review and approval of six post-secondary programs under the Approval of Education Programs policy.
- Gathered information from Ontario Colleges of Applied Arts and Technology (OCAAT) and approved post-secondary ECE programs to identify curriculum content and initiatives related to anti-racism and sexual abuse prevention to inform future policy work.
- Completed the policy work for the initial phase of the Modernizing Membership initiative with the adoption by Council of models for new registration requirements and classes of membership including:
 - A current practice requirement for RECE (General) registration;
 - A Non-Practising Class; and
 - An Advanced Practice Class with specialties in management & administration and pedagogical leadership.
- Revised policies to remain current with changes in the environment, enhance focus on the applicant experience and reflect evolution in operational practices, including:
 - Individual Assessment of Educational Qualifications Policy;
 - Policy regarding the Consideration of Alternative Documents; and
 - Language Fluency Policy.
- Developed a [policy statement about post-secondary education](#) to reinforce the importance of qualification standards for RECEs as regulated professionals.

Strategic Priorities and Achievements

• • • Continuing Competence



Resource development

CPL compliance

Leadership and professionalism

Key Achievements:

- Over the course of the 2018-2022 strategic plan, culminating in this year's work, published six Practice Guidelines and six Practice Notes on topics such as inclusion of children with disabilities, professional supervision of children, supervision of supervisees, pedagogical practice, child development, diversity and culture, beliefs and bias, professionalism, and communication and collaboration with families and colleagues.
- Continued collaboration with RECE Advisors to create and deliver resources on practising during the pandemic and anti-racism in ECE policy and practice.
- Informed by data collected, consultation and communications with members and stakeholders, developed and delivered the simplified Continued Professional Learning (CPL) Program portfolio process.
- Developed and launched the Sexual Abuse Prevention Program member education as part of the revised CPL Program.
- Enhanced member access to information about CPL Program requirements in My College Account.
- Provided support to a Toronto Metropolitan University-led research team with their project, Give Race Its Place: An Anti-Racist Knowledge Sharing Initiative for Early Childhood Educators, a series of four facilitated sessions focused on anti-racism pedagogies for early childhood educators in Ontario.

Strategic Priorities and Achievements

• • • Professional Regulation



Process efficiency

Fitness to practise

Tracking of trends

Key Achievements:

- Developed the College staff and Committees' expertise to address volume and complexities of cases through hiring for key roles, training and process improvements.
- Created efficiencies through a risk-based approach ensuring timely, proportionate, and effective ways to address cases leading to significant improvements in timelines and an overall reduction in the number of active cases to the lowest number in five years.
- Operationalized the authority to obtain independent evaluations to assess risk regarding members practising with unaddressed physical or mental conditions which affect their ability to practice safely.
- Enhanced the collection, monitoring and analysis of data to better inform decision making and to assist with collaborative efforts in the development of practice resources and other supports for the profession.
- Increased engagement with key stakeholders such as the Ministry of Education, employers, Children's Aid Society (CAS) agencies and police services to educate, share information and explore the interrelationship of professionals and work environments.

Strategic Priorities and Achievements

• • • Operations

IT infrastructure

Financial sustainability

Human resources

Key Achievements:

- Completed pivotal technology and process modernization, including the migration from a legacy file server to the cloud environment, to increase our efficiency and enhance our work with and for members and stakeholders.
- Allocated funding for multi-year initiatives supporting members and the sector as a whole, including:
 - Resources to support members in their engagement with the content of the Sexual Abuse Prevention Program; and
 - People Connect, an online mental health resource centre for members.

• • • Communications & Stakeholder Relations

Government / stakeholder relations strategy

Increased / enhanced member engagement

Key Achievements:

- Developed and delivered new member orientation communications and webinars, which also included communications to members and employers on ways to support those who are new to the profession (<https://cece-talk.ca/2021/07/support-recent-graduates/>).
- Continued work with government to influence policy in alignment with the College's strategic priorities.
- Maintained a steady rate of growth across digital communications channels and a consistently high rate of engagement with members on direct communication channels (e.g., Open rates for newsletters and other email communications).
- Continued to build and evolve our virtual communications to engage internal and external stakeholders successfully in an ongoing pandemic environment.

Strategic Priorities and Achievements

• • • Governance

Enhanced reporting and communications

Optimized governance structure and practices

Key Achievements:

- Completed an external review of the College's governance structure and implemented recommendations, including reduction in committees and new Council member training program.
- Completed the transition to fully electronic elections, Council and committee meetings and discipline hearings.
- Conducted ongoing learning and development sessions for Council and committee members on bias, anti-racism in policy development and inclusive governance.
- Developed the multi-year strategic plan that will guide the College's operations from 2022 – 2027.

• • • Overarching Initiatives

Data-informed approach

Sector relationships

Key Achievements:

- Continued development of a framework governing the types of data collected and stored by the College, and the use of data internally and with stakeholders.
- Identified key gaps in College data and enhanced College staff capacity with reference to data collection, analysis and use.
- Developed 25 custom membership data reports to support municipalities and other sector partners with local workforce planning strategies.
- Continued to enhance the College's understanding of, and involvement in, the sector through collaboration and information sharing, including engaging in ongoing dialogue with stakeholders specific to the licensed child care workforce and the 2021 cohort of new RECEs.

07 Public Protection

Our mandate is to serve and protect the public. As part of this mandate, we address concerns of professional misconduct, incompetence and incapacity of members of the College through a formal complaints and discipline process.



Interested in seeing if a member is in good standing with the College? Visit the [public register](#).

2021-2022 by the numbers:



399

Open cases
as at
July 1, 2021



561

New cases
received,
2021-2022



587

Cases closed,
2021-2022



373

Open cases
as at
June 30, 2022

Public Protection

• • • Most common concerns

35%

Inappropriate Supervision

Typically seen during transitions from one area or activity to another, and often caused by lack of communication during staffing changes and lack of situational awareness on the part of members.

27%

Unprofessionalism

Typically involves failing to maintain confidentiality, failing to report or disclose incidents that occur, practising while suspended and engaging in inappropriate interactions with children, parents, and colleagues, and occasional pending criminal charges.

25%

Inappropriate Guidance

Typically seen in RECEs not knowing how to deal with difficult behaviours, exhibiting frustration and forcefully redirecting children's behaviour.

6%

Other

May relate to a variety of different actions or behaviours such as failing to maintain ratio or keeping records as required, mishandling of finances and/or fraud and failing to maintain standards.

• • 3%

COVID-19 protocol violations

Involves breaches of health and safety protocols and/or policies implemented to help prevent the spread of COVID-19 within the practice environment, creating risk to the well-being of children and colleagues.

• • 2%

Incapacity concerns

Typically involving concerns an RECE may be suffering from a physical or mental condition (including substance use disorders) that affects their ability to practise safely.

• • 1%

Discrimination

Making remarks or engaging in behaviours that are racist, discriminatory or fail to support inclusive learning environments.

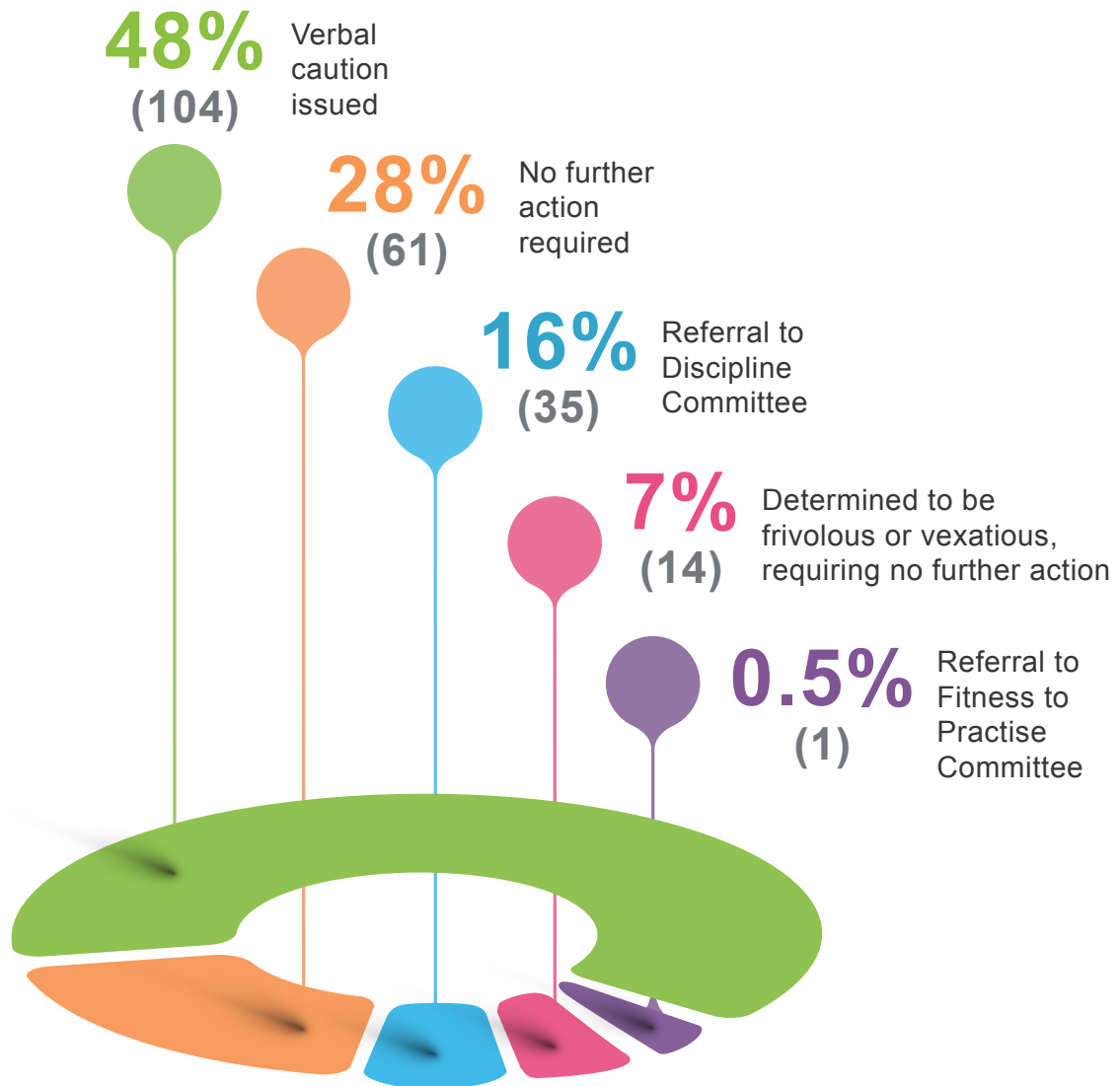
• • 1%

Sexual misconduct/abuse

Allegations of misconduct and/or abuse of a sexual nature.

Public Protection

In 2021-22, the **Complaints Committee** completed 215 cases, with the following outcomes:



Due to rounding, percentages do not add up to 100.

215 cases

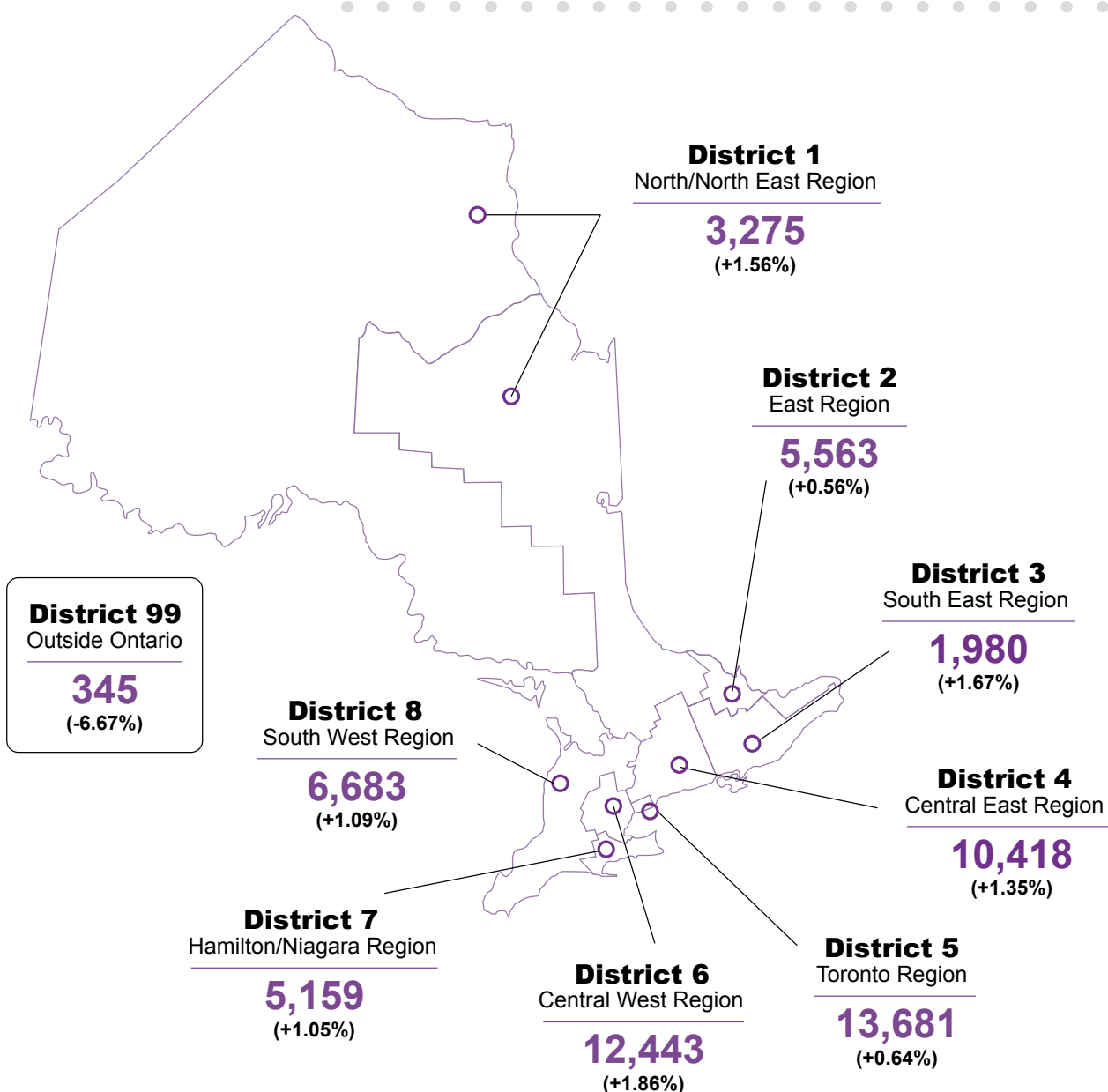
08

Membership Data

• • • • • 2021-2022 Fiscal Year Membership Statistics

Total Members in Good Standing:

59,547



Membership Data

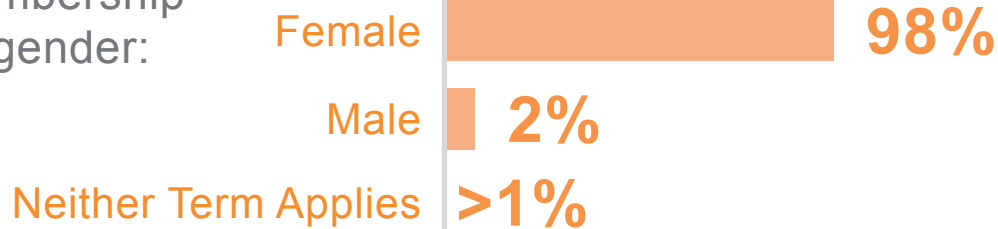
Applications received:

5,778

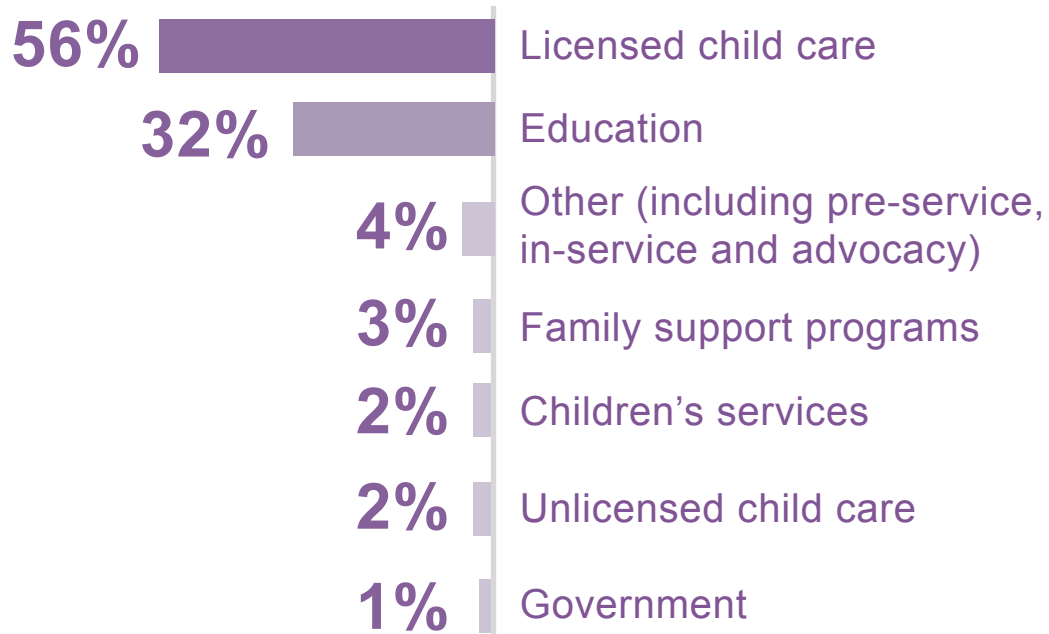
New members:

5,468

Membership
by gender:

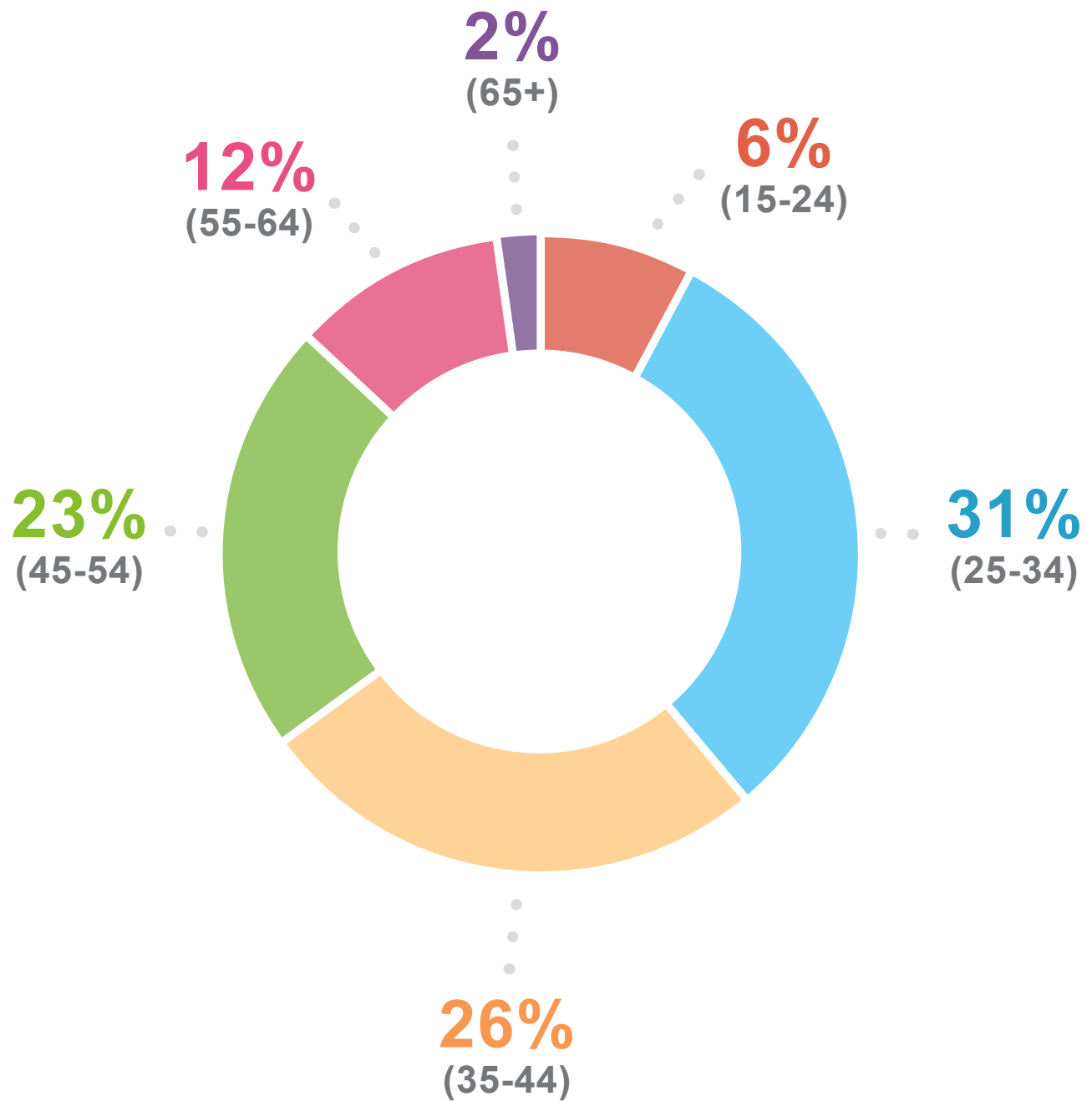


Membership by employment setting:



Membership Data

• • • Membership by age group:



09

Appendix: Financial Statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

FINANCIAL STATEMENTS

JUNE 30, 2022

HILBORN_{LLP}

Independent Auditor's Report

To the Council of the College of Early Childhood Educators

Opinion

We have audited the financial statements of the College of Early Childhood Educators (the "College"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the annual report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The annual report is expected to be made available to us after the date of our auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the College to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the College.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the College.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the College to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario
November 2, 2022

Chartered Professional Accountants
Licensed Public Accountants

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Financial Position

June 30	2022 \$	2021 \$
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	994,294	1,880,976
Current portion of investments (note 4)	10,642,384	9,116,156
Government assistance receivable (note 10)	-	35,207
Prepaid expenses	228,494	197,370
	11,865,172	11,229,709
Investments (note 4)	-	500,863
Capital assets (note 5)	419,726	344,038
	419,726	844,901
	12,284,898	12,074,610
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	1,326,179	881,578
Deferred revenue	5,189,685	5,091,271
	6,515,864	5,972,849
NET ASSETS		
Invested in capital assets	419,726	344,038
Internally restricted		
Professional regulation (note 8)	750,000	750,000
IT systems and program development (note 9)	700,000	700,000
Unrestricted	3,899,308	4,307,723
	5,769,034	6,101,761
	12,284,898	12,074,610

The accompanying notes are an integral part of these financial statements

Approved on behalf of Council:

Chair  RECE

Vice Chair  RECE

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Operations

Year ended June 30	2022 \$	2021 \$
Revenues		
Registration and application fees	9,921,036	9,584,589
Investment income	59,301	49,994
	9,980,337	9,634,583
Expenses		
Personnel	6,602,108	5,725,278
Information technology	1,060,743	780,860
Rent	752,977	767,118
Professional regulation	707,443	512,868
Consulting	471,975	16,776
Bank and merchant service fees	220,319	214,623
Office and general	174,677	182,112
Amortization	138,522	115,533
Council and committees	97,330	71,533
Professional fees	70,405	30,865
Communication and stakeholder relations	16,565	15,951
	10,313,064	8,433,517
Excess of revenues over expenses (expenses over revenues) before the following	(332,727)	1,201,066
Government assistance (note 10)	-	(106,663)
Excess of revenues over expenses (expenses over revenues) for year	(332,727)	1,307,729

The accompanying notes are an integral part of these financial statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Changes in Net Assets

Year ended June 30

	Invested in capital assets \$	Internally restricted for professional regulation \$	Internally restricted for IT systems and program development \$	Unrestricted \$	Total 2022 \$
Balance, beginning of year	344,038	750,000	700,000	4,307,723	6,101,761
Excess of expenses over revenues for year	-	-	-	(332,727)	(332,727)
Purchase of capital assets	214,210	-	-	(214,210)	-
Amortization of capital assets	(138,522)	-	-	138,522	-
Balance, end of year	419,726	750,000	700,000	3,899,308	5,769,034

	Invested in capital assets \$	Internally restricted for professional regulation \$	Internally restricted for IT systems and program development \$	Unrestricted \$	Total 2021 \$
Balance, beginning of year	420,695	750,000	-	3,623,337	4,794,032
Excess of revenues over expenses for year	-	-	-	1,307,729	1,307,729
Purchase of capital assets	38,875	-	-	(38,875)	-
Amortization of capital assets	(115,532)	-	-	115,532	-
Inter-fund transfer (note 9)	-	-	700,000	(700,000)	-
Balance, end of year	344,038	750,000	700,000	4,307,723	6,101,761

The accompanying notes are an integral part of these financial statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Cash Flows

Year ended June 30	2022 \$	2021 \$
Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues) for year	(332,727)	1,307,729
Adjustments to determine net cash provided by (used in) operating activities		
Amortization	138,522	115,533
Interest capitalized on investments	(35,504)	(20,520)
Receipt of prior year interest capitalized on investments	20,520	19,194
	(209,189)	1,421,936
Change in non-cash working capital items		
Decrease (increase) in government assistance receivable	35,207	(35,207)
Increase in prepaid expenses	(31,124)	(35,535)
Increase in accounts payable and accrued liabilities	444,601	117,428
Increase in deferred revenue	98,414	273,080
	337,909	1,741,702
Cash flows from investing activities		
Purchase of investments	(10,606,880)	(9,596,499)
Proceeds on disposal of investments	9,596,499	8,416,283
Purchase of capital assets	(214,210)	(38,875)
	(1,224,591)	(1,219,091)
Net change in cash and cash equivalents	(886,682)	522,611
Cash and cash equivalents, beginning of year	1,880,976	1,358,365
Cash and cash equivalents, end of year	994,294	1,880,976

The accompanying notes are an integral part of these financial statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements

June 30, 2022

Nature and description of the organization

The College of Early Childhood Educators (the "College") was incorporated as a non-share capital corporation under the Early Childhood Educators Act, 2007 ("ECEA").

As the regulator and governing body of the early childhood educator profession in Ontario, the College's major function is to administer the ECEA, in the public interest.

The College is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to income taxes.

1. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue recognition

Registration fees

The registration year of each member commences with their initial registration date. Registration fees are recognized as revenue in the fiscal year to which they relate. Registration fees received in advance of the fiscal year to which they relate are recorded as deferred revenue.

Application fees

Application fees are recognized as revenue upon the completion of application assessments. Application fees received in advance of the completion of application assessments are recorded as deferred revenue.

Investment income

Investment income comprises interest from cash and cash equivalents and investments and is recognized on an accrual basis.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash and term deposits which are readily convertible into cash, are not subject to significant risk of changes in value and have a maturity date of three months or less from the date of acquisition.

(c) Investments

Investments consist of term deposits with maturity dates greater than three months from date of acquisition. Investments that mature within twelve months from the year-end date are classified as current.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

1. Significant accounting policies (continued)

(d) Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset, with the exception of expenditures on internally generated intangible assets during the development phase, which are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided for, upon commencement of the utilization of the assets, using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	10 years
Computer equipment and software	4-5 years

Amortization of leasehold improvements is provided for on a straight-line basis over the remaining term of the lease.

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the capital asset to its fair value. Any impairment of the capital asset is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

(e) Financial instruments

Measurement of financial assets and liabilities

The College initially measures its financial assets and financial liabilities at fair value adjusted by the amount of transaction costs directly attributable to the instrument.

The College subsequently measures all of its financial assets and financial liabilities at amortized cost.

Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash and cash equivalents and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

1. Significant accounting policies (continued)

(e) Financial instruments (continued)

Impairment

At the end of each year, the College assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the College, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; and bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the College determines whether a significant adverse change has occurred during the year in the expected timing or amount of future cash flows from the financial asset.

When the College identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the financial asset to the greater of the following:

- the present value of the cash flows expected to be generated by holding the financial asset discounted using a current market rate of interest appropriate to the financial asset; and
- the amount that could be realized by selling the financial asset at the statement of financial position date.

Any impairment of the financial asset is recognized in income in the year in which the impairment occurs.

When the extent of impairment of a previously written-down financial asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the year the reversal occurs.

(f) Government assistance

Government assistance is recognized in income when the related expenses are incurred or when there is reasonable assurance that the College has complied or will comply with all of the conditions of the assistance, and collection is reasonably assured.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

1. Significant accounting policies (continued)

(g) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current year. Actual results may differ from these estimates, the impact of which would be recognized in future years.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

2. Financial instrument risk management

The College is exposed to various risks through its financial instruments. The following analysis provides a measure of the College's risk exposure and concentrations.

The financial instruments of the College and the nature of the risks to which those instruments may be subject, are as follows:

Financial instrument	Risks				
	Credit	Liquidity	Market risk		
			Currency	Interest rate	Other price
Cash and cash equivalents	X			X	
Investments	X			X	
Accounts payable and accrued liabilities		X			

Credit risk

The College is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the College could incur a financial loss.

The maximum exposure of the College to credit risk is as follows:

	2022 \$	2021 \$
Cash and cash equivalents	994,294	1,880,976
Investments	10,642,384	9,617,019
	<u>11,636,678</u>	<u>11,497,995</u>

The College reduces its exposure to the credit risk of cash and cash equivalents and investments by maintaining balances with a Schedule 1 Canadian financial institution.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

2. Financial instrument risk management (continued)

Liquidity risk

Liquidity risk is the risk that the College will not be able to meet a demand for cash or fund its obligations as they come due.

The liquidity of the College is monitored by management to ensure sufficient cash is available to meet liabilities as they become due and is supplemented, if necessary, by the demand operating facility as detailed in note 6.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in foreign exchange rates.

The College is not exposed to currency risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The College is not exposed to other price risk.

Changes in risk

There have been no significant changes in the risk profile of the financial instruments of the College from that of the prior year.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

3. Cash and cash equivalents

	2022 \$	2021 \$
Cash	743,332	1,127,646
Term deposit(s)	250,962	753,330
	<u>994,294</u>	<u>1,880,976</u>

The term deposit has an effective interest rate of 2.26% (2021 - 0.28% to 0.31%), maturing in September 2022 (2021 - July 2021 to August 2021).

4. Investments

Investments consist of term deposits with interest rates ranging from 0.58% to 3.16% (2021 - 0.31% to 0.54%) and maturity dates ranging from July 2022 to June 2023 (2021 - July 2021 to November 2022).

5. Capital assets

	Cost \$	Accumulated Amortization \$	2022 Net \$
Furniture and fixtures	430,816	376,373	54,443
Computer equipment and software	800,670	551,258	249,412
Leasehold improvements	1,130,812	1,014,941	115,871
	<u>2,362,298</u>	<u>1,942,572</u>	<u>419,726</u>
	Cost \$	Accumulated Amortization \$	2021 Net \$
Furniture and fixtures	430,816	363,385	67,431
Computer equipment and software	586,460	491,022	95,438
Leasehold improvements	1,130,812	949,643	181,169
	<u>2,148,088</u>	<u>1,804,050</u>	<u>344,038</u>

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

6. **Demand operating facility**

The College has available a revolving demand operating facility up to a maximum of \$1,000,000. The facility bears interest at prime plus 0.50% and is secured by a general security agreement and an assignment of fire and business insurance.

The facility was not drawn upon at either June 30, 2022 or June 30, 2021.

7. **Accounts payable and accrued liabilities**

	2022 \$	2021 \$
Trade payables and accrued liabilities	757,779	575,605
Accrued liabilities - professional regulation	568,400	305,973
	<u>1,326,179</u>	<u>881,578</u>

8. **Net assets internally restricted for professional regulation**

The College makes best efforts to anticipate the costs associated with professional regulation matters based on past experience and current caseload. However, in the event that the College incurs costs beyond the normal scope of such matters, the Council of the College has internally restricted net assets to address these matters.

The internal restriction is subject to the direction of the Council upon the recommendation of the Finance and Audit Committee.

9. **Net assets internally restricted for IT systems and program development**

During the prior year, the Council of the College internally restricted net assets in consideration of IT systems development and program development supporting the public interest.

The internal restriction is subject to the direction of the Council upon the recommendation of the Finance and Audit Committee.

10. **Government assistance**

During the prior year, the College received government assistance in the amount of \$89,455 through the Canada Emergency Wage Subsidy program and \$17,208 through the Canada Emergency Rent Subsidy program. Total government assistance in the amount of \$106,663 is included in the comparative statement of operations, of which \$35,207 is included in government assistance receivable at June 30, 2021.

The government assistance is not subject to any specific future terms or conditions, however, the Canada Revenue Agency may require additional reporting in a future period to verify the eligibility and compliance of the College with the terms and conditions of the programs.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2022

11. Commitment

The College is committed to lease its office premises until February 2024. The future annual lease payments, including an estimate of premises common area expenses, are as follows:

	\$
2023	804,199
2024	536,133
	<u>1,340,332</u>

12. Impact of COVID-19

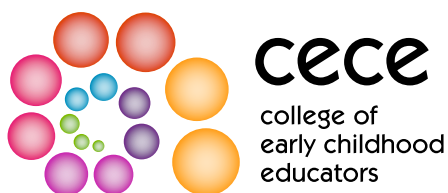
The global pandemic of the virus known as COVID-19 has led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the future financial effect, if any, on the College.

HILBORN

LISTENERS. THINKERS. DOERS.

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Annual Report



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Cette publication est également disponible en français sous le titre : *Rapport annuel 2021-2022*

If you require an accessible format or communications support, please contact us at 1 888 961-8558 / communications@college-ece.ca

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