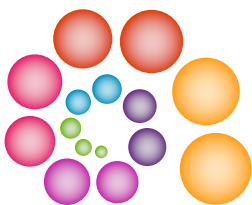




New Goals, New Opportunities



Annual Report
2022–2023



cece
college of
early childhood
educators

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Message from the Council Chair

Kristine Parsons RECE



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- **High-quality early learning and care led by qualified professionals with expert knowledge and experience serves everyone – children, families and the public at large.**
-
-
-

The 2022 – 2023 fiscal year ushered in an era of new beginnings at the College. We undertook the first year of an ambitious new five-year Strategic Plan, which will serve as the compass for our work through 2027.

What a journey it's been these past few years. While we've come through the other side of the pandemic on a variety of fronts, the significant stresses facing the profession and the early learning and child care sector remain. The need to create a sustainable, resilient workforce is increasingly urgent, and one I believe is a collective responsibility.

The implementation of the Canada-Wide Early Learning and Child Care program (CWELCC) will bring about significant change for the profession and sector. Our new Strategic Plan positions us to help address the complex challenges facing the workforce and respond to the growth required by CWELCC through two goals: proactive public protection and collaborative leadership and engagement.

On the proactive public protection side, I'm invigorated by this plan's emphasis on building resiliency and sustainability in the profession, because the profession needs that systemic support. Research tells us that qualified, accountable and well-supported education professionals are critical to the delivery of early years programs that result in better outcomes for children and families. From supporting career progression, workforce retention and personal well-being, to developing mentorship opportunities, resources for practice excellence

and guidance for professional learning and growth, my hope is for RECEs to be able to see that a rewarding career path in the long-term is indeed possible.

The plan's second goal of collaborative leadership and engagement will see the College leverage data and meaningful relationship-building to raise awareness of its role as a modern, supportive regulator that raises the standard of the profession in Ontario; underscore the vital importance of early education; and highlight the immeasurable value of RECEs as professional educators and leaders.

High-quality early learning and care led by qualified professionals with expert knowledge and experience serves everyone – children, families and the public at large. There aren't many professions with the level of responsibility – education with a care component – that RECEs have.

I feel incredibly privileged and proud to have helped guide the College through the development of both the previous and new Strategic Plans. I am honoured to have been re-elected as Council Chair, and along with Council, I am excited to contribute to the College's evolution from maturing regulator to modern regulator, poised to help create a well-supported profession where our members can thrive.

I look forward to the new goals and new opportunities ahead.

Message from the Registrar and CEO

Beth Deazeley



-
- Through 2027, the work we undertake at the College will be done with the specific intent to continue to build and maintain a resilient and sustainable profession.
-
-
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The theme for this year's annual report is New Goals, New Opportunities. This was the first year of the College's new Strategic Plan, one that will take us forward as a mature, modern regulator, focused on proactive risk prevention, enabling practice excellence for our members, and building strong relationships.

This year was a turning point, not only for the College as we kicked off our new plan, but for the profession as a whole. The announcement of the historic Canada-Wide Early Learning and Child Care (CWELCC) agreement put a spotlight on the profession. As parents, caregivers and the public eagerly anticipated access to affordable child care, the College worked to emphasize the importance of high-quality care and to ensure the systemic issues across the sector were well understood by the various levels of government. As the only organization in Ontario with detailed data on RECEs, the College's expertise on the early learning and care workforce is, and continues to be, critical to ensuring the government's workforce strategies reflect the realities of systemic challenges in the profession.

Through 2027, the work we undertake at the College will be done with the specific intent to continue to build and maintain a resilient and sustainable profession. We're looking at ways to contribute to career progression in the sector, aiming to foster mentorship opportunities, and implementing new, supportive interventions in our complaints processes. Our focus on embedding equity, diversity, inclusion and belonging into our work this year included

the development of an updated *Professional Advisory: Duty to Report* with specific content addressing bias, stereotypes and racism in reporting to enhance awareness of these systemic issues and support our members in their reflection and decision-making.

This was also the year in which we truly returned to normal, post-pandemic operations at the College, but it was a new remote-first normal. Our successful adaptation to remote work during the pandemic provided new opportunities: College resources, including webinars, events and meetings, were made increasingly accessible to all members, regardless of their location across the province.

All of this important work was done in the context of an extremely busy year, where we saw a higher volume of applications, a substantial increase in professional regulation cases opened and twice as many hearings held as in the year prior. I am grateful for the incredible support provided by our Council and the dedication of the staff at the College to get us where we are today. And as proud as I am of our College team, I am equally proud of our members, the professional educators who continue to provide exceptional early learning and care to the children and families of Ontario. As we continue the work we've started under this new Strategic Plan, my hope is that the College can continue to enhance the pride RECEs feel in their work, and a broader public understanding of the incredible value of this profession.

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 61,000 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 fulfill our responsibility of regulating a diverse profession in the interest of all children and families in Ontario. Read our full [Statement of Commitment to Anti-Racism](#).

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.

Council and Committees

Chair

Kristine Parsons RECE

Vice Chair

Laura Urso RECE

Elected Members

Aliya Amin RECE

Ela Smith RECE

Jessica Christian RECE
(Oct 2022 – June 2023)

Julie Cyr RECE

Katie Begley RECE

Kim Cole RECE

Lindsey Dann RECE

Mark Francisco RECE
(June 2022 – Oct 2022)

Millie Forbes RECE

Richard Stronach RECE

Stacey Stevenson RECE

Teresa Sulowski RECE

Yalin Gorica RECE

Publicly Appointed Members

Adesua Ezeokafor

Gen Breton

Leigh Duncan

Mary Broga

Richard Fillion

Shernett Martin

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.

Council and Committees

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.

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.

Strategic Priorities and Achievements

About the 2022 – 2027 Strategic Plan

The College undertook its first year in an ambitious new five-year [Strategic Plan](#). Building on the College's strong foundation of regulatory excellence and the success of the previous Strategic Plan, the new five-year plan will guide our work through to 2027. Underpinning the plan are the College's mission, vision, values and commitment to equity, diversity and inclusion, which are fundamental to how we operate and serve members and stakeholders, and work with one another.



Addressing the complex challenges facing the profession and the early learning and child care sector, two overarching goals with related objectives will guide the College's activities over the next five years:



Goal 1: Proactive Public Protection

.....

Objective 1:
Apply evidence-based innovation
in regulation and governance

.....

Objective 2:
Equip and support practice
excellence

.....

Objective 3:
Build a resilient and sustainable
profession



Goal 2: Collaborative Leadership and Engagement

.....

Objective 1:
Embed equity, diversity and inclusion
into all aspects of our work

.....

Objective 2:
Establish and maintain meaningful
relationships with stakeholders, the
profession and the public

.....

Objective 3:
Enable generation and sharing of
high-quality data

Strategic Priorities and Achievements

In the pages that follow, we outline some of the foundational work completed in Year One of our new Strategic Plan, which will set the College up for success in the four years that follow.

Goal 1 Proactive Public Protection



As a modern regulator, the College continues to evolve the focus of regulation to emphasize proactive intervention, using data to identify areas of risk and prevent harm. As part of the College’s duty to serve the public interest, the College will work to help ensure that all families have access to qualified early childhood educators.

Objective 1:

Apply evidence-based innovation in regulation and governance

- Significant strides were made in engaging in supportive communications with employers and members, including members being investigated by the College, as well as the development of prevention-focused supportive tools for RECEs. One example of supportive communications was the pilot of Practice Conversations, an educative tool informed by Professional Regulation data and focused on prevention and building trust in the College. Practice Conversations provide a safe space where a member who is involved in a professional regulation issue and a Professional Practice Analyst / RECE engage in solution-focused, constructive dialogue. In the coming years, engagement with, and feedback from participants will help us assess the effectiveness of the tool.
- The College also reviewed what has been learned from the use of mentorship requirements to support remediation and rehabilitation when an RECE is found guilty of professional misconduct, and how this could support the use of mentorship in other areas of the College’s work.
- The College continued to build capacity and expertise in the Professional Regulation department, including technology, to help address the increase in volume and complexity of cases.

Strategic Priorities and Achievements



Pauline Walters
Director,
Professional Regulation



The Professional Regulation team made huge strides over the past year in our ongoing evolution to proactive regulation. Supportive, novel approaches to conduct concerns using new remediation tools were a key highlight for our team. I'm also very proud of how the team has expanded its capacity to address an increased volume of new cases. We will continue to build member trust in the College, and protect the public interest, through a prevention lens."

Objective 2:

Equip and support practice excellence

Updates to the Continuous Professional Learning (CPL) Program included the new [Sexual Abuse Prevention Program](#) educational component and one-year [CPL Portfolio Cycle](#). Over the course of the year, the College has undertaken a continuous, multi-channel communications campaign to inform members of the new Sexual Abuse Prevention Program educational requirement and guide them through accessing the training platform, operated in partnership with the Canadian Centre for Child Protection. To support members in taking a trauma-informed approach to completing the program, the College, in collaboration with the Ontario Coalition of Rape Crisis Centres and *Action ontarienne contre la violence faites aux femmes*, developed and offered workshops that were offered separately to members and employers regularly throughout the year.

The College also developed and delivered to members a revised [Professional Advisory: Duty to Report](#), which incorporated updates to the previous advisory, as well as new content on what to expect when reporting to a CAS, developed in response to member feedback. Updates included revisions made to reflect feedback from the Code and Standards and Resource Use consultations, and provisions added to the *Early Childhood Educators Act*, specifically the Sexual Abuse Prevention Program.

Strategic Priorities and Achievements

Objective 2:

Equip and support practice excellence cont'd

The College also launched the process for the development of a revised Expectations for Practice new member module and the creation of an entry to practice module. Additionally, the College undertook a review of the accessibility of its member resources and began work remediating existing and new resources to enhance accessibility.

Relationships with partners in the post-secondary sector have continued to grow and mature. This year saw a number of changes happening in the post-secondary education sector, with a number of post-secondary institutions working towards developing innovative early childhood education programs that are designed help to address the workforce challenges in the sector. The College has been providing ongoing support and advice to these institutions to ensure that future graduates will meet the education requirements for registration with the College. This year also saw a record number of institutions expressing an interest in offering an early childhood education program for the first time. The College assesses new programs for equivalency to the current standard under the [Approval of Education Programs Policy](#).



Melanie Dixon
RECE
Director,
Professional Practice



I'm tremendously proud of the work the Professional Practice team has carried out this year to support the professional practice and ongoing learning of members, from the introduction of the Sexual Abuse Prevention Program to a revised *Professional Advisory: Duty to Report and Reflection Guide* informed by member feedback. Recognizing that individual well-being is critical to an RECE's success, we are equally committed to supporting RECEs in caring for themselves. I'm excited to support the College's efforts to contribute to a strong and resilient profession in these next years ahead."

Strategic Priorities and Achievements

Objective 3:

Build a resilient and sustainable profession

The workforce challenges in the early learning and care sector became increasingly urgent this year, with ongoing work at all levels of government to successfully deliver on the promise of affordable, accessible, high-quality child care for children and families under the Canada-Wide Early Learning and Child Care program (CWELCC). The College's objective to build a resilient and sustainable profession reflects our commitment to support the profession and work with government and other stakeholders to recruit and retain RECEs in the early learning and care sector.

Significant work went into supporting all levels of government with data and expert advice, as they developed their strategies to address workforce challenges. This included the development and delivery of data reports to government, active participation in government consultations, and testifying before the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities in their study of Bill C-35, *an Act respecting early learning and care in Canada*.

The College developed a prioritization plan to continue implementing components of the Modernizing Membership initiative. When fully implemented and regulatory and legislative amendments are in place, Modernizing Membership will enable the College to register members in different classes that are reflective of their practice circumstances.

Additionally, this year the College introduced an initiative to provide members with access to services supporting their mental health and well-being, in recognition of the challenges faced by RECEs throughout the pandemic and in an effort to contribute to combatting burnout in the profession.



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



We received and processed a significantly higher number of applications for registration than we've seen in recent years. At the same time, we managed a heavy volume of requests for data reporting, analysis and policy advice as all levels of government worked to develop a better understanding of, and plan to address, the workforce needs of the sector. We are fortunate to have a highly skilled, flexible and dedicated team in Registration, keeping us not only on track, but ahead of our goals in Year One."

Strategic Priorities and Achievements

Goal 2 Collaborative Leadership and Engagement



As a collaborative leader in the early learning and child care sector, the College will work across boundaries to identify and address systemic challenges to support high-quality practice and access to care. The College will enhance its effectiveness by nurturing meaningful relationships that support mutual learning and trust.

Objective 1:

Embed equity, diversity and inclusion into all aspects of our work

- The College is committed to helping identify and address racism and discrimination in the sector, and to center equity in all elements of its work. In Year One, much of the work was foundational, putting the pieces in place to allow the College to make meaningful progress towards equity, diversity, inclusion and belonging.
- The College collaborated with academics to gain a better understanding of the early learning and care workforce through a project called Knowing our Numbers, which aims to get a better sense of the child care workforce through research, and to build the infrastructure needed to collect this data on a regular basis. The College contributed knowledge and data, and in turn, will be able to access project data that can inform policy positions, projects and initiatives including those related to equity, diversity and inclusion. Separately, the College also did its own internal work to identify the data it has and the data it needs to collect to better understand diversity in the profession.
- The College's updated *Professional Advisory and Reflection Guide on Duty to Report* included a new section on bias, racism and stereotypes in reporting to a Children's Aid Society, to support RECEs' awareness of how it leads to Indigenous, Black and other racialized children and families being disproportionately reported to authorities relative to their proportion in the general population. It also encourages RECEs in using their professional judgment to reflect on their own biases when considering making a report.

Strategic Priorities and Achievements



Kimbalin Kelly
Chief Operating Officer



Providing a strong foundation in technology and talent positions the College to support rapid growth and change in the sector. Ensuring our systems rise to meet the demands of a high-performing organization in a digital-first environment, and equipping staff with the tools, skills and DEI-informed approach they need to succeed and deliver on the College’s goals, will allow us to be nimble in our support and enhancement of the profession.”

Objective 2:

Establish and maintain meaningful relationships with stakeholders, the profession and the public

This year was one of growth in communications and stakeholder engagement. Approaching its 15th year of operation, the College is increasing its focus on meaningful communications and relationships with members, employers, government and sector partners.

There were two key areas of focus in Year One. The first was in advocating for the importance of professional educators to support quality in the rollout of CWELCC. The second area of focus was in developing the necessary plans and infrastructure to lay the groundwork for impactful outreach and communication with the College’s various audiences. This included taking stock of the College’s existing communications strategies and channels, and better understanding our audiences in the early learning and care sector. The College’s existing resources were reviewed and updated with an aim to enhance accessibility for members and others in the sector. The College built communications capacity to ensure it will be able to execute on measurable plans to communicate more effectively with members, government and the public about the role of the College and the value of the profession, and work more effectively with partners across the sector.

Strategic Priorities and Achievements



Betsy Hilton
Director,
Communications
and Stakeholder
Relations



Our team this year was focused on building capacity and putting plans and structures in place to enable stronger listening and learning, enhanced sharing of data and expertise, and using our communications channels more effectively to help build and promote a strong, sustainable and resilient profession. With a dedicated and creative team in place, we're ready for what's to come over the next few years."



Objective 3:

Enable generation and sharing of high-quality data



The College has committed to developing a research agenda. Since research requires access to data, this commitment aligns with and builds on the ongoing work of collecting and reporting on workforce data that the College has been engaged in for the past several years. As a foundational step in establishing a research agenda, the College is working to set up a dedicated data and research team so that this work can have the focus and expertise needed to achieve the desired results. The College also developed an ethical research protocol to guide its work in data collection.

As the only organization that holds provincial data on RECEs, the College has undertaken significant effort to report monthly on membership statistics and employment settings for the Province. As workforce data continues to play a critical role in provincial and federal policy in the sector, the College's research agenda and data collection will be a prominent element in our work.

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.



2022 – 2023 By the Numbers

.....

373

Open cases
as at July 1, 2022

691

New cases received,
2022 – 2023

550

Cases closed,
2022 – 2023

514

Open cases as at
June 30, 2023

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

Public Protection

Most common concerns

40% **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.

32% **Inappropriate guidance**

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

17% **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.

10% **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.

0.3% **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.

0.3% **Discrimination**

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

0.3% **Sexual Misconduct / Abuse**

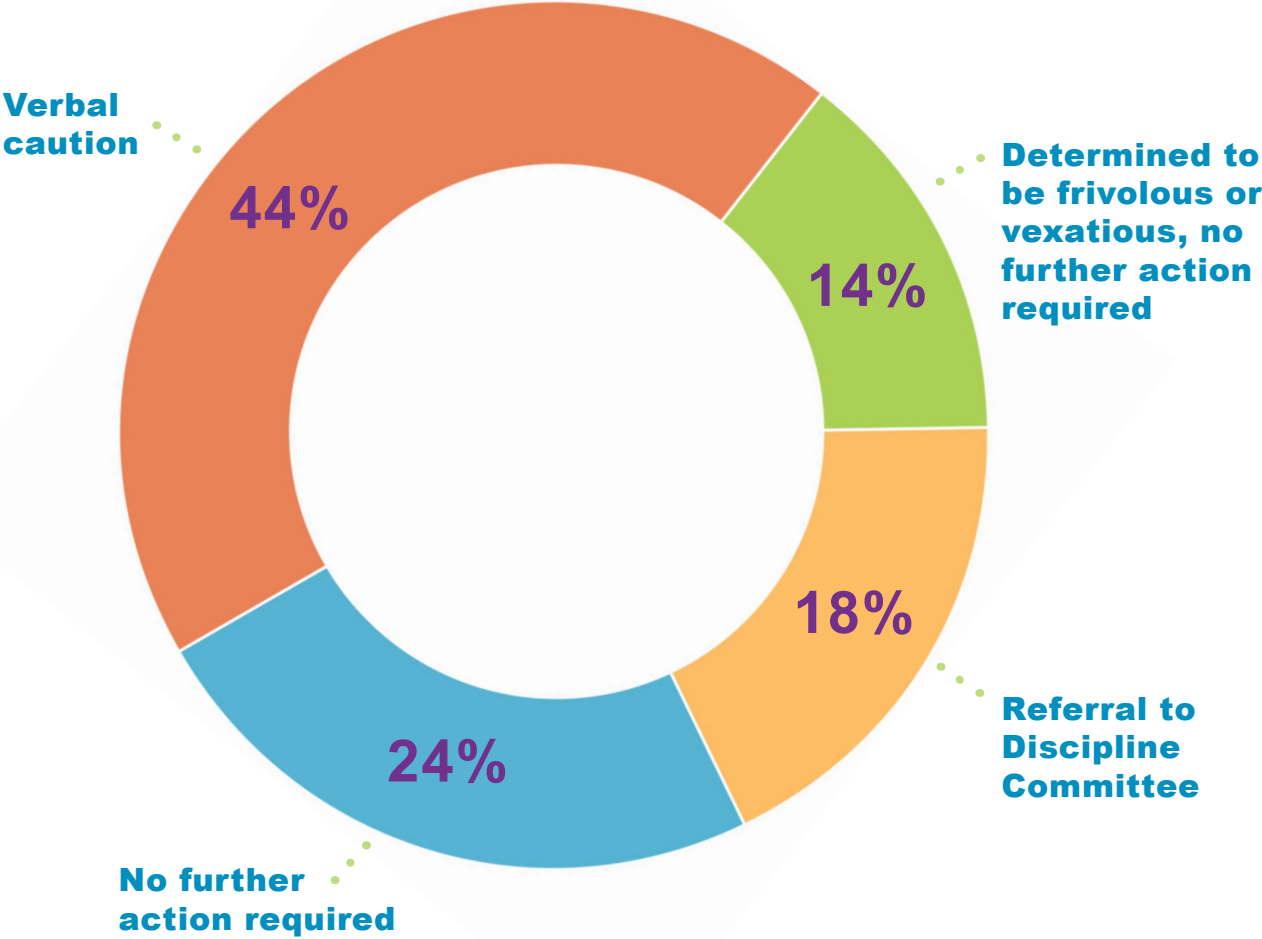
Allegations of misconduct and/or abuse of a sexual nature.

Public Protection

Complaints Committee

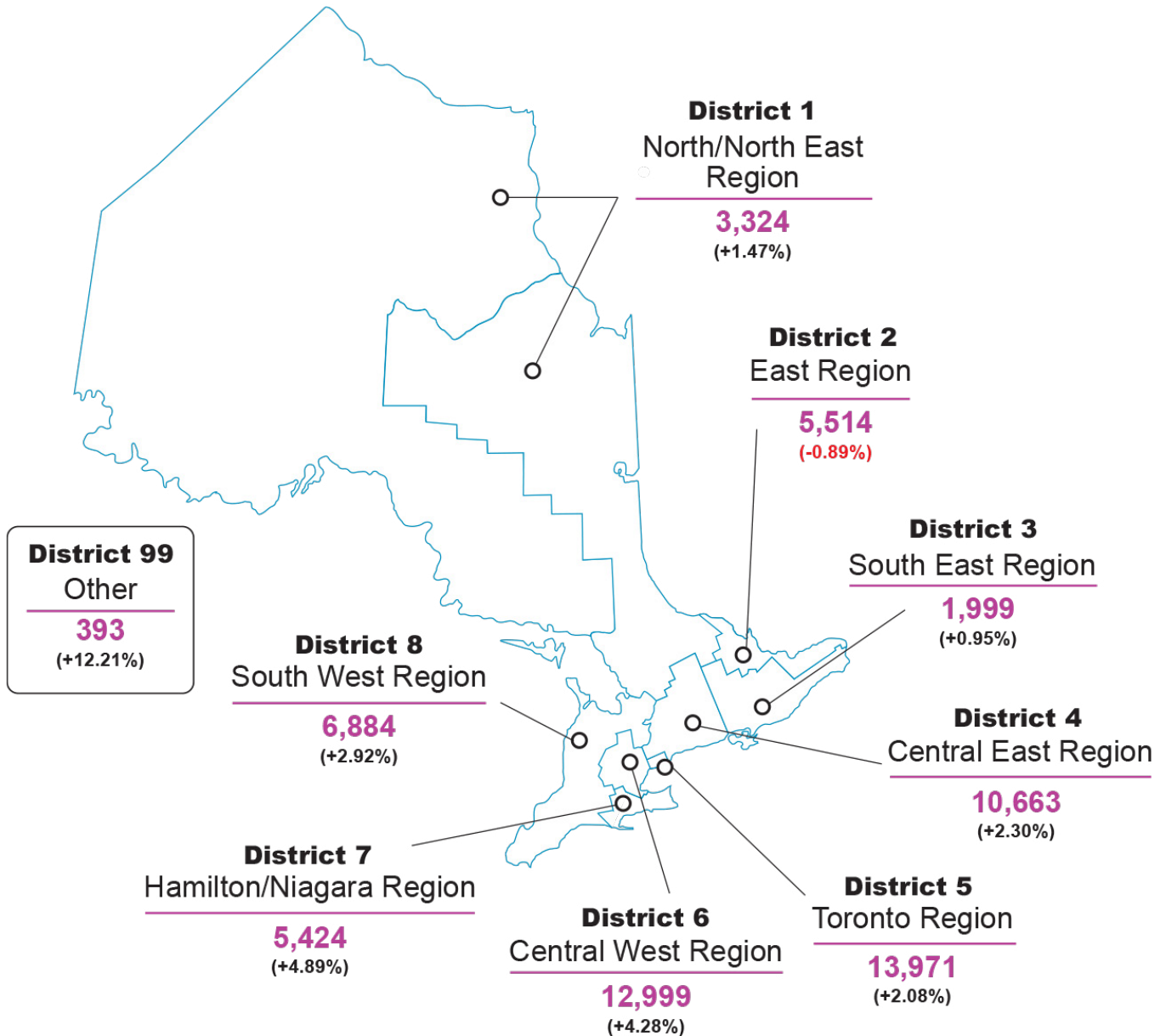
In 2022-23, the Complaints Committee completed with the following outcomes:

167 cases



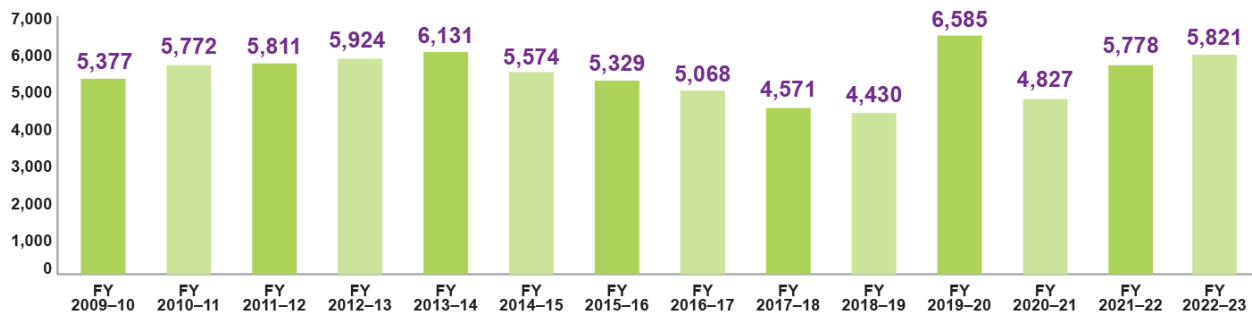
Membership Data

Geographical Distribution of Members

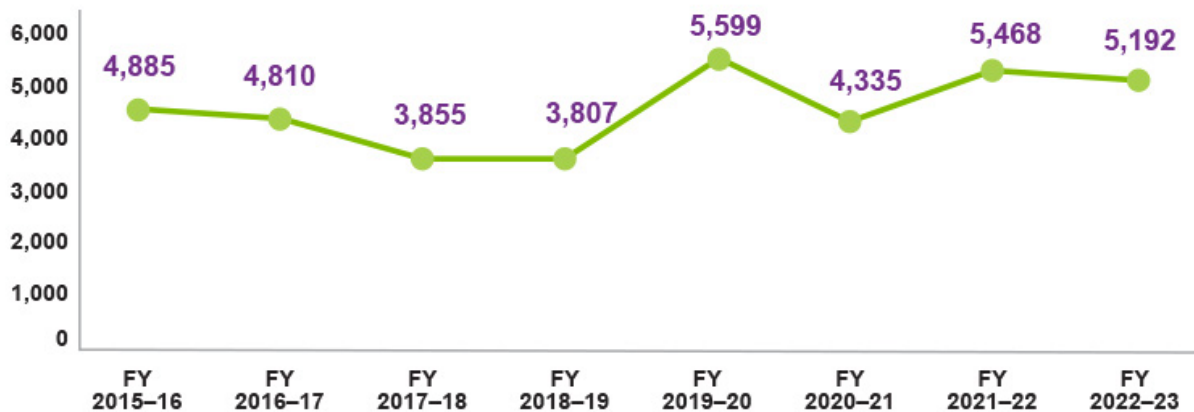


Membership Data

Applications received



New members



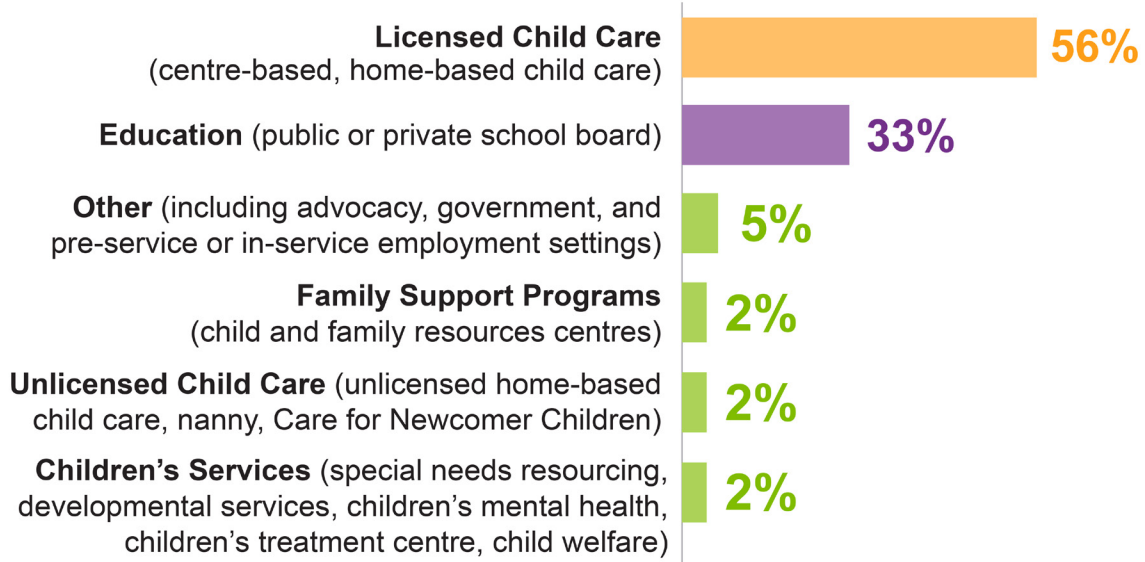
Membership by gender



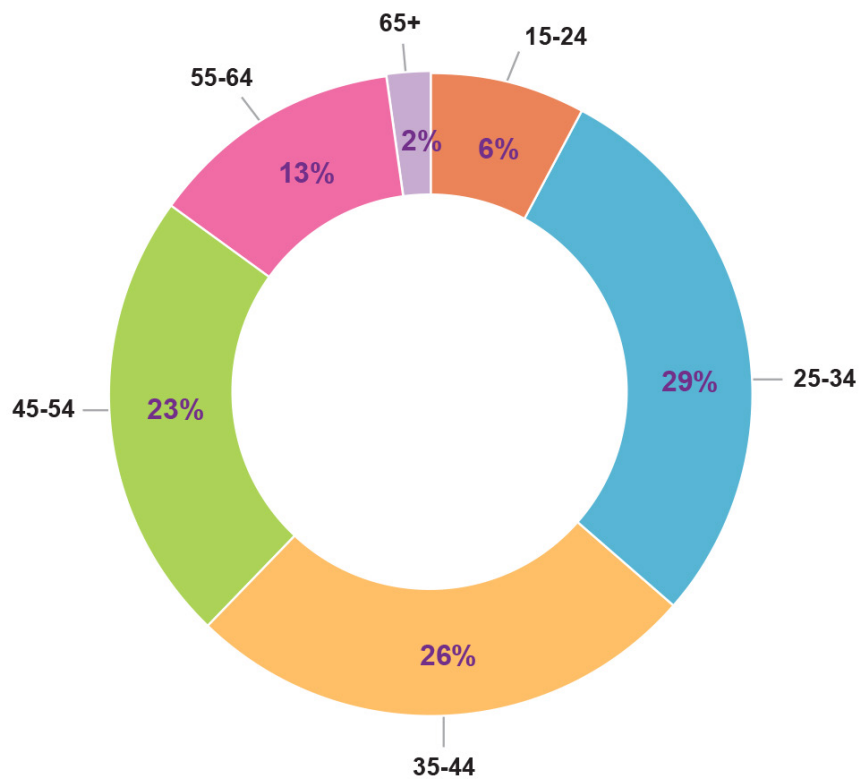
The College provides members with the opportunity to identify as neither gender if they so choose; however, given the limited number of members who chose this gender identification (less than one per cent), the data has been suppressed to avoid the inadvertent disclosure of personal information.

Membership Data

Membership by employment setting



Membership by age group





Appendix: Financial Statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

FINANCIAL STATEMENTS

JUNE 30, 2023

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, 2023, 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, 2023, 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 21, 2023

Chartered Professional Accountants
Licensed Public Accountants

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Financial Position

June 30	2023 \$	2022 \$
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	861,732	994,294
Investments (note 4)	10,107,671	10,642,384
Prepaid expenses	352,408	228,494
	11,321,811	11,865,172
Capital assets (note 5)	405,906	419,726
	11,727,717	12,284,898
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	1,018,812	1,326,179
Deferred revenue	5,287,292	5,189,685
	6,306,104	6,515,864
NET ASSETS		
Invested in capital assets	405,906	419,726
Internally restricted		
Professional regulation (note 8)	375,000	750,000
IT systems and program development (note 9)	700,000	700,000
Office transition (note 10)	375,000	-
Unrestricted	3,565,707	3,899,308
	5,421,613	5,769,034
	11,727,717	12,284,898

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	2023 \$	2022 \$
Revenues		
Registration and application fees	10,187,193	9,921,036
Investment income	322,908	59,301
	10,510,101	9,980,337
Expenses		
Personnel	7,661,113	6,602,108
Information technology	1,081,398	1,060,743
Rent	764,193	752,977
Consulting	493,575	471,975
Office and general	251,480	174,677
Bank and merchant service fees	228,418	220,319
Amortization	187,144	138,522
Professional regulation	62,711	707,443
Professional fees	52,334	70,405
Council and committees	43,923	97,330
Communication and stakeholder relations	31,233	16,565
	10,857,522	10,313,064
Excess of expenses over revenues for year	(347,421)	(332,727)

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 \$	Internally restricted for office transition \$	Unrestricted \$	Total 2023 \$
Balance, beginning of year	419,726	750,000	700,000	-	3,899,308	5,769,034
Excess of expenses over revenues for year	-	-	-	-	(347,421)	(347,421)
Purchase of capital assets	173,324	-	-	-	(173,324)	-
Amortization of capital assets	(187,144)	-	-	-	187,144	-
Internally imposed restriction (notes 8 and 10)	-	(375,000)	-	375,000	-	-
Balance, end of year	405,906	375,000	700,000	375,000	3,565,707	5,421,613

	Invested in capital assets \$	Internally restricted for professional regulation \$	Internally restricted for IT systems and program development \$	Internally restricted for office transition \$	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

The accompanying notes are an integral part of these financial statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Statement of Cash Flows

Year ended June 30	2023 \$	2022 \$
Cash flows from operating activities		
Excess of expenses over revenues for year	(347,421)	(332,727)
Adjustments to determine net cash provided by (used in) operating activities		
Amortization	187,144	138,522
Interest capitalized on investments	(133,947)	(35,504)
Receipt of prior year interest capitalized on investments	35,504	20,520
	(258,720)	(209,189)
Change in non-cash working capital items		
Decrease in government assistance receivable	-	35,207
Increase in prepaid expenses	(123,914)	(31,124)
Increase (decrease) in accounts payable and accrued liabilities	(307,367)	444,601
Increase in deferred revenue	97,607	98,414
	(592,394)	337,909
Cash flows from investing activities		
Purchase of investments	(9,973,724)	(10,606,880)
Proceeds on disposal of investments	10,606,880	9,596,499
Purchase of capital assets	(173,324)	(214,210)
	459,832	(1,224,591)
Net change in cash and cash equivalents	(132,562)	(886,682)
Cash and cash equivalents, beginning of year	994,294	1,880,976
Cash and cash equivalents, end of year	861,732	994,294

The accompanying notes are an integral part of these financial statements

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements

June 30, 2023

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, 2023

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, 2023

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) 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.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2023

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:

	2023	2022
	\$	\$
Cash and cash equivalents	861,732	994,294
Investments	10,107,671	10,642,384
	<u>10,969,403</u>	<u>11,636,678</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.

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.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2023

2. Financial instrument risk management (continued)

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.

3. Cash and cash equivalents

	2023 \$	2022 \$
Cash	662,857	743,332
Term deposit(s)	198,875	250,962
	<u>861,732</u>	<u>994,294</u>

The term deposits have effective interest rates ranging from 5.20% to 5.24% (2022 - 2.26%) and maturity dates ranging from August 2023 to September 2023 (2022 - September 2022).

4. Investments

Investments consist of term deposits with interest rates ranging from 2.62% to 5.39% (2022 - 0.58% to 3.16%) and maturity dates ranging from July 2023 to May 2024 (2022 - July 2022 to June 2023).

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2023

5. Capital assets

	Cost \$	Accumulated Amortization \$	2023 Net \$
Furniture and fixtures	430,816	388,808	42,008
Computer equipment and software	973,994	660,669	313,325
Leasehold improvements	1,130,812	1,080,239	50,573
	<u>2,535,622</u>	<u>2,129,716</u>	<u>405,906</u>

	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>

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, 2023 or June 30, 2022.

7. Accounts payable and accrued liabilities

	2023 \$	2022 \$
Trade payables and accrued liabilities	846,921	757,779
Accrued liabilities - professional regulation	171,891	568,400
	<u>1,018,812</u>	<u>1,326,179</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.

During the year, the College approved a transfer of \$375,000 from net assets internally restricted for professional regulation to unrestricted net assets.

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

COLLEGE OF EARLY CHILDHOOD EDUCATORS

Notes to Financial Statements (continued)

June 30, 2023

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

The Council of the College has 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. **Net assets internally restricted for office transition**

During the year, the Council of the College internally restricted net assets, in the amount of \$375,000, in consideration of the office transition plan of the College.

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

11. **Commitments**

The College is committed to lease its office premises until February 2024. The future lease payments, including an estimate of premises common area expenses, are \$538,196.

HILBORN

LISTENERS. THINKERS. DOERS.



Annual Report

2022–2023



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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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