

Ontario College of Teachers

Financial Report

December 31, 2025

Ontario College of Teachers

Financial Report

Results for the period ending December 31, 2025.

The 2025 College financials show a positive year-end position. Revenues met expectations, and spending was slightly below forecast related to program service volume adjustments reducing funding requirements.

Revenues

The 2025 year-end revenue trends for the College are as follows:

1. Memberships processed totaled 232,348, generating \$46,469,513, slightly exceeding the budgeted forecast by 2% which represented a modest increase in registrations leading to new members.
2. Fees from services like registration, evaluations, and reinstatements amounted to \$2,719,195 surpassing expectations due to higher than planned registrations (2,416), evaluations (3,070), and reinstatements (1,817).
3. Advertising revenue slightly exceeded expectations \$16,755.
4. Investment returns on short-term, low-risk instruments met forecasted expectations at \$1,569,373.

Expenses

The 2025 College expenditures were \$49,424,577 representing an underspend of \$2,829,097 or 5.4%. The following notable program spending patterns represent variances from plan.

Investigations & Professional Conduct - Favorable Variance \$985,948

Administration expenses related to temporary help, travel, conferences, meetings, and administrative costs were underspent by \$183,716 in 2025. The budget for Investigation activities related to panel meeting costs, general counsel, expert opinions and panel deliberations, consultants, interpretation services, staff travel, meetings and materials costs were \$267,738 overspent largely due to contracted legal services to address a high caseload. The allocation for Professional Conduct activities provides for external legal counsel and related legal disbursements, release time, panel meeting costs, prosecution counsel, independent counsel, panel court reporter, witness, expert opinion, simultaneous translation, individual interpreter costs and transcriptions of panel discussions. Year-end underspending in this category was equivalent to \$1,069,970 as external legal counsel fees related to discipline activities were less than planned.

Standards of Practice and Accreditation - Favorable Variance \$326,576

The SPA administration budget covers departmental meetings, travel and administrative expenses, consulting resources, and meeting and administrative costs for program service and development initiatives and was underspent by \$23,280 at year-end.

The budget allocation for Accreditation includes travel, release time, honoraria, meetings, and other administrative costs associated with accrediting initial teacher education programs at faculties of education across the province. This category was underspent by \$109,290 at year-end, attributed to a continued shift to virtual meeting platforms.

The Standards of Practice and Education budget allocation encompasses travel, release time, honoraria, meetings, and other administrative costs supporting the integration of the Standards of Practice for the Teaching Profession and the Ethical Standards for the Teaching Profession into pre-service and in-service teacher education programs, as well as teaching practices in Ontario classrooms. It also covers costs related to accrediting additional qualification courses and developing guidelines for these courses. Underspending in this category was due to delays in accrediting programs, resulting in an overall underspend of \$194,006.

Policy, Governance & Tribunals - Favorable Variance \$368,471

Council members receive a per-diem covering travel, accommodation, meals, and teacher replacement costs for meetings, and funding is allocated for project work. The Council budget was underspent by \$205,185 primarily due to a project delay related to the Governance Enhancement Plan. Tribunal allocations for legal counsel and related costs underspent by \$196,732 due to lower external legal consulting related to tribunal work. The Policy unit slightly overspent by \$10,336 related to appeals for registration and accreditation.

Occupancy Costs - Favorable Variance \$301,275

The occupancy underspend was primarily related to a mortgage paid off in June 2025 reducing cashflow requirements and underspending related to condominium fee adjustments.

Fred Towers, MBA, CPA

Ontario College of Teachers

For the Period Ending December 31, 2025.

Statement of Operations*(in thousands of dollars)*

	Actual 31-Dec-25	Actual % of Budget	Budget 2025	Actual % of 31-Dec-24	Actual 31-Dec-24	Actual 31-Dec-2024
Revenue						
Annual Membership Fees	46,470	102%	45,542	101%	45,903	45,903
Unearned Portion of AMF	0	0%	0	0%	0	0
Other Fees	2,719	170%	1,602	99%	2,742	2,742
Advertising Revenue	321	106%	305	123%	262	262
External Project Funding	0	0%	0	0%	0	0
Investment & Other Income	1,569	98%	1,600	68%	2,322	2,322
Total Revenue	51,079	104%	49,049	100%	51,228	51,228
Expense						
Employee Compensation	31,799	100%	31,722	111%	28,633	28,633
Membership Services Department	147	106%	140	104%	142	142
Investigations & Professional Conduct	4,083	81%	5,069	143%	2,846	2,846
Standards of Practice and Accreditation	275	46%	602	68%	406	406
Office of the Registrar	1,018	78%	1,301	88%	1,154	1,154
Information Services	5,575	98%	5,702	115%	4,830	4,830
Policy, Governance and Tribunals	1,418	79%	1,786	103%	1,383	1,383
Corporate Services	1,171	93%	1,254	115%	1,017	1,017
Occupancy Costs 101 Bloor West	1,649	85%	1,950	98%	1,676	1,676
Amortization	2,289	84%	2,728	69%	3,327	3,327
Total Expense	49,425	95%	52,254	109%	45,415	45,415
Net Surplus/(Deficit) for the College	1,655	-52%	(3,205)	28%	5,813	5,813

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Balance Sheet

As At December 31, 2025

	31-Dec-25 (\$000)	31-Dec-24 (\$000)
ASSETS		
Current Assets		
Cash and Investments	6,281	4,056
Restricted Cash	20,480	25,938
Accounts Receivable	190	179
Prepaid Expenses	1,405	214
Capital Assets	3,576	3,187
Leasehold Improvements	908	1,683
Building	6,203	6,631
Land	7,660	7,660
Total Assets	<u>46,704</u>	<u>49,549</u>
Liabilities and Members' Equity		
Current Liabilities		
Accounts Payable and Accrued Liabilities	5,659	4,225
Unearned Annual Membership Fees	0	0
Deferred Revenue	676	736
Deferred Salaries	0	0
Mortgage	5,364	11,239
Members' Equity	35,005	33,350
Total Liabilities and Members' Equity	<u>46,704</u>	<u>49,549</u>

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Year-end Surplus

As At December 31, 2025

The College's financial position at year-end resulted in a surplus, leading to a recommended contribution to the restricted cash balance reserve as outlined in the following reconciliation.

Restricted Cash Calculation	2025 Year-end
Net Surplus for 2025 Fiscal Period - Accrual Basis	\$1,654,760
Add: Amortization, a non-cash expense	2,288,870
Less: Capital Expenditures - Non-IT	(30,586)
Less: Capital Expenditures – IT	(1,444,434)
Less: Mortgage Capital	<u>(417,142)</u>
2025 Year-end Surplus	2,051,468
Current Restricted Cash Balance	\$25,937,502
Add: 2025 Year-end Surplus	2,051,468
Less: In Year Mortgage Repayment *	<u>(5,457,550)</u>
2026 Opening Balance for Restricted Cash	\$22,531,419

* By retiring the mortgage with BMO-Bank of Montreal, the College will save \$1,035,502 in total interest costs over the remaining term of the loan, reducing ongoing monthly cash flow requirements.