

National Association of Career Colleges

# 2021 DIGITAL AGM

Friday, December 3rd, 2021



2020 AGM  
Minutes

2020 Audited  
Financial  
Statements



**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**L'ASSOCIATION NATIONALE DES COLLEGES DE CARRIERES**

**MINUTES** of the Annual General Meeting of Members of the National Association of Career Colleges /  
L'Association nationale des collèges de carrières, held in Ottawa on the 4th day of December 2020 via Zoom.

**Present:**

Adrian Sharma, Cestar College of Business, Health and Technology  
Ali Noori, Greystone College  
Alison Cuvier, Nimbus School of Recording and Media  
Ann Knowlton, Crossroads Truck & Career Academy  
Aoife Berkery, ILSC Greystone College  
Audrey Brattberg, Academy of Learning Red Deer  
Babita Gupta, Thompson Career College  
Belinda Loschiavo, Robertson College  
Carlos Carvalho, CTS Canadian Career College  
Carmen Valero, Canadian College of Educators  
Cheryl Harrison, MC College  
Cheryl Russell, PORTLAND  
Christel MacAloney, Futureworx  
Clinton Friesen, Willis College  
Coryne Yacucha, Academy of Learning  
Craig McDonald, Metalworks Institute  
Craig Tucker, Keyin College  
Cynthia Lidster, Atlantic College of Applied Health Science  
Daisy Nicolas, Best Care Academy  
Dale Ritchie, McKenzie College  
Dave McCormick, Herzing College  
Dean Tremain, Canadian Business College  
Delores Lawrence, NHI Nursing & Home Health Care Inc.  
Des Soye, Algonquin Careers Academy  
Dyson Wells, Career Colleges Ontario  
Ed Stavnitzky, Edge Academy  
Emidio D'Alfonso, Medix College / North American Trade Schools  
George Hood - Co-Host, Herzing College  
Grace Pyo, Greystone College  
Gurpreet Kahlon, Clarkridge Career Institute  
James Connery, Louis Riel Vocational College  
Jeremy Nichols, Commercial Safety College  
Joe Cairo, MC College  
Josefa Geronimo, Hamilton Institute for Health Personnel

**National Association of Career Colleges**  
**Association nationale des collèges de carrières**

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JP Roszell, Anderson College  
Junaid Bhatti, Canadian College of Healthcare  
Lane Clark, Canadian College  
Lisa Lovelady, Academy Canada  
Lois McNestry, Discovery Community College  
Lonnie Croal, Canadian Criminal Justice Academy  
Lori MacMullin, Center for Distance Education  
Mareya Salazar, Chaleur College  
Maria Morales, Tricare Academy  
Marilou Cafa, Canadian CareAcademy Inc.  
Mark O'Shaughnessy, Institute of Technical Trades  
Marwan Al-Shalabi, Evergreen College - Mississauga Campus  
Michael McAllister - Co-Host, Herzing College  
Mohammad Lasker, East West College  
Peter Dykstra, Career College Group  
Rose Elia, Anderson College  
Selena McConnell, Canadian Imperial College  
Stuart Bentley - Co-Host, triOS College  
Sunita Vyas, Academy of Learning  
Susan Brattberg, Digital School  
Susan Menzies, Algonquin Careers Academy  
Tim Ogilvie, CDI College and Reeves College  
Vanessa Sarges AZDM INC, Canadian SciTech College  
Victor Tesan, Sprott Shaw College

**Non-Voting:**

Denis Sabourin, CEO NACC  
Dana Archer, NACC Staff  
Debbie Archer, NACC Staff  
Alex Carberry, NACC Staff  
Rob Leone, Guest  
Chris Conway, CEO CCO  
Theresa Sabo, Non-Member

1. Call to Order

The meeting was called to order at 1:00 p.m. EST by George Hood, Chair. Quorum confirmed.

2. Approval of the Agenda

George Hood, Chair asked to move to vote on the acceptance of the agenda circulated in advance.



On motion duly made by Ed Stavnitzky, Edge Academy, seconded by Adrian Sharma, Cestar College and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT the Agenda be approved as presented.**

3. Approval of the Minutes from the 2019 AGM Minutes

The minutes from the 2019 AGM had been circulated prior to the meeting.

On motion duly made by Adrian Sharma, Cestar College, seconded by Carmen Valero, Canadian College of Educators and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT the minutes of November 8th, 2019, AGM be approved.**

4. Greeting from Federal Minister of Labour, Filomena Tassi

Denis Sabourin, CEO, introduced a recorded greeting from Federal Minister of Labour, Filomena Tassi. The Minister spoke of Covid-19 and how the environment made us all reassess our roles and thanked the NACC and the PCC sector for being there to help in the transition.

5. Chairman's Address, George Hood

George spoke about the past year and how the pandemic affected all our activities. He spoke on the different files that were worked on this year including:

- Government relations
- Instructor Development Day
- Instructor Development Program
- Health Care
- New International Member

George took a moment to recognize all of the Board Members for their contribution to all of our activities and their time put towards our goals this year. With the conversion to video meetings, the Board met more this year than when meetings were held in person.

He thanked all of the various committee members that volunteer their time in areas of curriculum development, finance and governance and government relations to name a few.

Finally, he thanked the staff and outlined what their various jobs entailed.

6. Government Relations Activity

Rob Leone, Principal at Earnscliffe made a presentation on activities on the PGWP over the past six months and how the toolkit was developed to help with lobby efforts by member colleges.



## 7. CEO's Address

Denis Sabourin provided his address on the activities of the past year. Including thanks to all the colleges who provided training to health care workers during this difficult time. Other topics he spoke on included:

- Moving to a virtual office
- Greater interest in the PSW program
- Home Support Worker (HSW) launch
- Lobby efforts
- Addition to government advisory groups
- 2021 - 125<sup>th</sup> Anniversary
- Career Connections Magazine

## 8. Election of Directors-at-Large

Dr. Michael McAllister, Vice Chair of NACC reviewed the process of the electronic voting for this year's election. He indicated that the Chair of the Nomination Committee, Jeremy Nichols provided the two names of the Director-at-large positions who included Sunita Vyas and Grace Pyo.

Michael indicated that we are also taking nomination from the floor and the process to do so.

Stuart Bentley nominated Adrian Sharma, Cestar College, seconded by Ed Stavinzky, Edge Academy. Adrian accepts the nomination.

With no other nominations from the floor, the nominations are closed.

Candidates each make a 1-minute speech on their ability to fulfill the role.

Electronic weighted voting ballots are sent to all members to place their votes. Results to follow at the end of the financial presentation.

## 9. Financial Reports

Stuart Bentley, Treasurer presents the 2019 Audited Financial Statements. Highlights include:

Balance Sheet:

- Cash, investments, and accounts receivables are higher than previous year
- Accounts payable and overall liabilities are higher than previous years due to HST timing

It was also noted that the finance and government committee review all taxes paid each month as part of good governance practices.

- Excess of revenue over expenses of \$77K
- Sizable increase of \$75K in net assets

Cash and investments are more than adequate to cover 2020 and 2021 operating costs based on current revenue and cost estimates.



Revenue and Expenditures:

- Revenues increase through curriculum fees, instructor workshops, PSW exams, management academy and college audits
- Revenue decreased in membership and conference sponsorship due to Covid-19
- Expenditures were slightly lower than the previous year which included reduction in member services and increase in office administration because of hiring a new CEO on staff rather than contract as was the previous CEO

Resulting in a strong year financially. Other things to note:

- No significant risk due to large customers, interest rate changes or market risk
- No leased premises obligation as of June 2020

Electronic voting took place:

On motion duly made by Adrian Sharma, Cestar College, seconded by James Connery, Louis Riel College, and duly carried, the following resolution was passed at 90%, 10% abstained:

**RESOLVED THAT the Audited Financial Statements for 2019 be approved as presented.**

On motion duly made by Cynthia Lidster, Atlantic College of Applied Health Science, seconded by Ed Stavintzky, Edge Academy that the following resolution was passed at 91%, 9% abstained:

**RESOLVED THAT the Auditors of Parker Prins Lebano Chartered Professional Corporation be appointed auditors for the year ending December 31, 2020.**

Stuart shares some general comments:

- Pandemic resulted in significant changes to the operations of NACC
- Moved to virtual office
- Cost reductions in operations to size vs. anticipated revenue
- Quarterly budgeting process implemented
- In-person meetings moved virtual
- In-person Instructor Development Day moved to virtual
- New Director of Education hired mid-way through the year
- Extensive work on new programs and improving existing PSW program
- Accessed Government funding and Canada Emergency Wage Subsidy
- Working on effectively breakeven budget for the year

Special thanks to the staff, Denis, Debbie, Alex, Holly and Dana for their contributions.



Election results:

**Grace Pyo and Adrian Sharma elected for Director-At-Large position for 2021.**

10. Ratification of Board Activities

On motion duly made by Dale Ritchie, McKenzie College, seconded by Grace Pyo, Greystone College, and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the actions of the Board of Directors in 2020 be ratified by the members.

11. Motion to Adjourn

There being no further business to come before the meeting, on motion duly made by JP Roszell, Anderson College, seconded by Carlos Carvalho, CTS Career College and duly carried, at 13:02 p.m. EST, the meeting adjourned.

**NATIONAL ASSOCIATION OF CAREER COLLEGES**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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**PARKER PRINS LEBANO**

**Chartered Professional Accountants**  
Professional Corporation

**INDEPENDENT AUDITORS' REPORT**

To the Members of the:

**NATIONAL ASSOCIATION OF CAREER COLLEGES**

**Opinion**

We have audited the accompanying financial statements of the National Association of Career Colleges, which comprise the Statement Of Financial Position as at December 31, 2020, and the Statements Of Changes In Net Assets, Operations, 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 National Association of Career Colleges as at December 31, 2020, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the National Association of Career Colleges 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 Matter**

There is tremendous uncertainty in regards to the negative economic impacts of the COVID-19 pandemic. It is very possible that there will be significant decreases in revenues and the inability of the organization to adjust expenditures may result in a significant negative impact on operational profit. The ability for the organization to sustain operations will be dependent on a variety of factors. These financial statements do not include any adjustments or accruals for these potential effects.

**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 National Association of Career Colleges' ability 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 National Association of Career Colleges or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the National Association of Career Colleges' financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

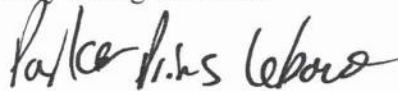
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that

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 these 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 National Association of Career Colleges' internal control.
- 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 National Association of Career Colleges' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the National Association of Career Colleges 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.



Parker Prins Lebano Chartered Professional Accountants Professional Corporation  
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

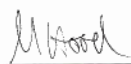
Ottawa, Ontario  
February 10, 2021



**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 248,419	\$ 66,404
Short-term investments	178,403	137,760
Accounts receivable	35,903	23,504
Prepaid expenses	<u>8,728</u>	<u>22,398</u>
	471,453	250,066
<b>CAPITAL ASSETS (note 4)</b>	<u>5,654</u>	<u>6,165</u>
	<u><u>\$ 477,107</u></u>	<u><u>\$ 256,231</u></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (note 7)	\$ 80,192	\$ 47,950
Deferred advertising revenue	2,500	-
Deferred membership revenue	3,826	3,186
Deferred audit revenue	<u>1,000</u>	<u>1,000</u>
	87,518	52,136
<b>LONG-TERM PAYABLE (CEBA) (note 9)</b>	<u>40,000</u>	<u>-</u>
	<u>127,518</u>	<u>52,136</u>
<b>NET ASSETS</b>		
<b>INVESTED IN CAPITAL ASSETS</b>	5,654	6,165
<b>UNRESTRICTED NET ASSETS</b>	<u>343,935</u>	<u>197,930</u>
	<u>349,589</u>	<u>204,095</u>
	<u><u>\$ 477,107</u></u>	<u><u>\$ 256,231</u></u>

Approved by the Board:



Director

George Hood



Director

Stuart Bentley

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>INVESTED IN CAPITAL ASSETS</b>		
Balance, beginning of year	\$ 6,165	\$ 5,647
Amortization	(1,762)	(1,612)
Investment in capital assets	<u>1,251</u>	<u>2,130</u>
Balance, end of year	<u>\$ 5,654</u>	<u>\$ 6,165</u>
<b>UNRESTRICTED NET ASSETS</b>		
Balance, beginning of year	\$ 197,930	\$ 121,263
Excess of revenue over expenditures	145,494	77,185
Amortization	1,762	1,612
Investment in capital assets	<u>(1,251)</u>	<u>(2,130)</u>
Balance, end of year	<u>\$ 343,935</u>	<u>\$ 197,930</u>

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Annual conferences	\$ 23,390	\$ 63,495
Canada Emergency Wage Subsidy (note 10)	83,169	-
Curriculum fees	111,815	51,792
Examination service fees	317,722	456,146
Examination services workshops	-	27,933
Membership fees	145,876	137,812
RCC management academy	-	24,750
Interest and sundry income	2,353	19,769
School audit fees	<u>5,775</u>	<u>27,000</u>
	<u>690,100</u>	<u>808,697</u>
<b>EXPENDITURES (Schedule 1)</b>		
Examination services	60,453	120,391
Member services	33,622	172,893
Office and administration	<u>446,021</u>	<u>438,228</u>
	<u>540,096</u>	<u>731,512</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES BEFORE LOSS ON SALE OF ASSET</b>	150,004	77,185
<b>LOSS ON SALE OF ASSET</b>	<u>4,510</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u><u>\$ 145,494</u></u>	<u><u>\$ 77,185</u></u>

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 145,494	\$ 77,185
Items not affecting cash:		
Amortization	<u>1,762</u>	<u>1,612</u>
	147,256	78,797
Net changes in non-cash items related to operations:		
Accounts receivable	(12,399)	(7,474)
Prepaid expenses	13,670	15,094
Accounts payable and accrued liabilities	32,242	18,638
Deferred advertising and audit revenue	2,500	(118)
Deferred membership revenue	<u>640</u>	<u>2,434</u>
	<u>183,909</u>	<u>107,371</u>
<b>CASH FLOWS USED FOR INVESTING ACTIVITIES</b>		
Purchases of capital assets (net)	<u>(1,251)</u>	<u>(2,130)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term payable (CEBA)	<u>40,000</u>	<u>-</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	222,658	105,241
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>204,164</u>	<u>98,923</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 426,822</u></u>	<u><u>\$ 204,164</u></u>
<b>CASH AND CASH EQUIVALENTS REPRESENTED BY:</b>		
Cash	\$ 248,419	\$ 66,404
Short-term investments	<u>178,403</u>	<u>137,760</u>
	<u><u>\$ 426,822</u></u>	<u><u>\$ 204,164</u></u>



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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

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### 1. STATUS AND NATURE OF ACTIVITIES

The Association is incorporated under the Canada Corporations Act as a not-for-profit organization and qualifies as a not-for-profit organization under the Income Tax Act. It provides representation and services to its members. Its members include career colleges and provincial associations representing career colleges.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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

#### REVENUE RECOGNITION

Revenue from examination, curriculum and other services is recognized when the exams and curriculums are shipped to the customer or the services are provided. Payment is based on agreed prices and credit terms contained on sales invoices. The Association recognizes membership revenues from provincial associations and affiliates on a calendar basis which represents the annual term of membership. Payment is based on agreed prices and terms contained on membership renewal notices. Revenue from conferences and workshops is recognized when they are presented. The liability for the portion of conferences and workshops invoiced but not yet presented is recorded as deferred revenue. Sponsorship revenue is recognized in the calendar year pertaining to the terms of the agreement. Grant revenue is recorded as revenue in accordance with the accrual basis of accounting. Interest revenue is recognized on an accrual basis using the effective interest method.

Provincial associations annually self-assess the NACC members' dues from their own provincial memberships and remit the required amount pursuant to terms established for collection. Should a provincial association not exist in a province or a provincial association not be a member of NACC, the Association is able to grant membership to individual career colleges and collect the required membership fees.

#### SHORT-TERM INVESTMENTS

Short-term investments are stated at cost.

#### CAPITAL ASSETS

Property and equipment consisting of office furniture and computer equipment are stated at cost. Amortization of office furniture and equipment has been provided over the estimated useful lives of the assets on a 20% diminishing balance basis and computer equipment on a 30% diminishing balance basis.

#### NET ASSETS INVESTED IN CAPITAL ASSETS

Net assets invested in capital assets comprises the net book value of property and equipment. Net assets invested in capital assets is a component of unrestricted net assets.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2020

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### 3. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and deposits on account of future services. Management is of the opinion that the carrying values of these financial instruments approximate fair value.

NACC 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 by the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

Credit risk associated with cash and short-term investments is minimized substantially by ensuring that these assets are invested in financial obligations of financial institutions or governments that have been accorded investment grade ratings by a primary rating agency.

Credit risk associated with amounts receivable is minimized by NACC's large customer base as well as the geographic dispersion of customers. NACC maintains allowances for potential credit losses, and any such losses to date have been within management's expectations.

It is management's assertion that the Association is not exposed to significant interest rate or market risk.

### 4. CAPITAL ASSETS

	2020		2019
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 6,652	\$ 998	\$ 5,654
Office furniture and equipment	-	-	-
	<u>\$ 6,652</u>	<u>\$ 998</u>	<u>\$ 5,654</u>

### 5. COMMITMENTS

The Association entered into a two year lease agreement for premises in Ottawa commencing on July 1, 2018. The agreement calls for minimum rents of \$2,667 per month, net of applicable taxes. The Association is also required to pay additional rents in the form of operating expense bills and property tax bills, which are submitted to the Association quarterly and semi-annually respectively. The amount of additional rents has not been disclosed as it varies each year. The agreement expired on June 30, 2020. During fiscal 2020, the Association switched to a virtual office, and now currently rents a storage locker from Dymon Storage for \$142 per month, net of applicable taxes.

On September 1, 2020, the Association entered in to a 36-month IT service agreement at a cost of \$569.01 per month, including applicable taxes.



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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2020

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### 6. LEGAL FUND

Management is no longer deferring the receipt of legal fund revenues collected for the purpose of financing future opinions on government policies affecting career colleges.

### 7. GOVERNMENT PAYABLES

Accounts payable and accrued liabilities include the following government related amounts payable:

	<u>2020</u>	<u>2019</u>
GST/HST	<u>\$ 22,297</u>	<u>\$ 9,003</u>

### 8. COMPARATIVE FIGURES

Certain of the 2019 comparative figures have been reclassified in order to conform with the current year financial statement presentation.

### 9. LONG-TERM PAYABLE (CEBA)

In response to economic effects of COVID-19, the Association was granted a Canada Emergency Business Account (CEBA). While the full \$40,000 available funds will be recorded as payable, \$10,000 of the total outstanding can be retained by the Association if repayment of the remaining \$30,000 is completed by December 31, 2022. The loan is interest free and has no specific terms of repayment other than the aforementioned. If the loan is not repaid by December 31, 2022, it will convert to a term loan of three years carrying interest at 5%. At this time, the Association plans to repay the loan by the grant eligibility timeline.

### 10. CONTINGENT LIABILITY (CEWS)

During the fiscal year under the subsidy provisions administered by the CRA pertaining to financial hardships experienced as a result of the COVID-19 pandemic, certain benefits were received under the Canada Emergency Wage Subsidy (CEWS) program. This program allowed employers to obtain a taxable subsidy of an amount of up to 75% of eligible employee remuneration for certain periods assuming that prescribed decreases in revenues were experienced. This program is relatively complex in that different calculations are required for each period, there is no history of reassessments or CRA review and the constantly emerging information has caused some confusion for employers potentially causing incorrect subsidy applications. As a result, it is not possible to fully ascertain whether a liability exists with regard to a potential recalculation or repayment of CEWS amounts received prior to the year end.

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## SCHEDULE 1 - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2020

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	2020	2019
<b>EXAMINATION SERVICES EXPENDITURES</b>		
Committee meetings	\$ 8,686	\$ 31,250
Courier and shipping	5,563	5,240
Curriculum development	16,096	12,344
Exam fees - IDP	-	27,000
On-line examination fees	24,592	24,000
Supplies and pins	5,516	20,557
	<u>\$ 60,453</u>	<u>\$ 120,391</u>
<b>MEMBER SERVICES EXPENDITURES</b>		
Annual conference	\$ 609	\$ 38,901
Board and committee meetings	13,025	53,978
Consulting services	-	40,208
Domestic promotions	16,200	25,010
International promotions	2,423	11,628
Lobbying	-	208
Printing and reproduction	1,365	2,960
	<u>\$ 33,622</u>	<u>\$ 172,893</u>
<b>OFFICE AND ADMINISTRATION EXPENDITURES</b>		
Amortization	\$ 1,762	\$ 1,612
Bank charges	16,667	20,068
Computer support services	19,737	4,897
Courier and shipping	834	129
Insurance	5,560	6,387
Office supplies	2,540	5,342
Professional fees	18,070	14,662
Provision for impairment of accounts receivable	1,947	2,664
Rent	26,938	45,061
Salaries and benefits	336,927	320,850
Security	126	251
Subscriptions and promotions	8,712	7,509
Telephone, internet and fax	6,201	8,796
	<u>\$ 446,021</u>	<u>\$ 438,228</u>