ONTARIO COLLEGE OF TRADES

ORDRE DES MÉTIERS DE L'ONTARIO

Annual Report **2015**

SHAPING THE FUTURE

BUILDING ON EXPERIENCE

Who we are

The Ontario College of Trades is an industry-driven, professional regulatory body with a mandate to protect the public interest by regulating and promoting skilled trades in Ontario. One of the main responsibilities of the College is to ensure that individuals performing the skills of compulsory trades have the training and certification required to legally practise the trade in Ontario. The College puts the decision-making in the hands of those who are directly impacted by those decisions—Ontario's tradespeople.

Jennifer Pigozzo, electrician - construction and maintenance

INSIDE this report

Corporate Review

Financial Review

FRONT COVER:

Jody Laurin
Powerline technician
Tiny Township, ON
Photography by Kris Caetano

FURTHER INFORMATION ONLINE:
collegeoftrades.ca

- Download the Annual Report
- Find out more about the College
- List of compulsory & voluntary trades

Follow us on Twitter for news and updates:
@collegeoftrades

Pat Blackwood, Chair, Board of Governors, Ontario College of Trades

We have a vision of an Ontario where our highly trained and skilled workforce is the envy of the world for its commitment to safety and excellence.

Chair's Message

The College has made significant and positive strides in 2015 in fulfilling its mission of protecting the public interest through world-class training, self-regulation and promotion of a diverse and professional skilled trades workforce that contributes to the prosperity of Ontario.

A crucial development this year was Mr. Tony Dean's technical review of the College, which resulted in the publication of his report titled *Supporting a Strong and Sustainable Ontario College of Trades*. After a year-long review, Mr. Dean's report put forward recommendations to address some of the College's technical processes.

The review endorses the College's mandate of protecting the public interest and the important role of promoting the skilled trades in Ontario. The Board of Governors is working with members, Trade Boards and Divisional Boards for their input and feedback on addressing Mr. Dean's recommendations. The College, with its Registrar and CEO, Mr. David Tsubouchi, has already begun to undertake foundational work that aligns with the direction of some of Mr. Dean's recommendations.

To aid in this process, we asked Mr. Tim Armstrong, the author of the *Armstrong Report*, which helped create the College, to join us as special advisor and offer his advice on how to address some of the recommendations. As a former Ontario Deputy Minister of Labour and Deputy Minister of Industry, Trade and Technology, Mr. Armstrong's insight into Ontario's skilled trades industry will be invaluable to the College.

Together, with the help of trades professionals who belong to our Trade Boards, the College is working to address issues within the industry, including ensuring we modernized our training and curriculum standards so that apprentices are learning their trade with the latest industry standards. To date, the College has developed and updated training and curriculum standards for 26 trades. In some cases, curriculum standards had not been updated in close to 20 years, which created barriers to success for apprentices.

In 2015 the College began work on its pilot project, hirewithconfidence.ca, a tool to help journeypersons and employers in the search and hiring for jobs in the skilled trades. The job board will also help individuals who are considering a job in a trade as it will allow for the posting of apprenticeship opportunities in the skilled trades. Our aim is to foster relationships with Ontario employers, and connect them with talented and enthusiastic workers. We know small and large businesses as well as unions are critical to apprenticeship completion rates and to ensuring we have a highly skilled workforce to address the anticipated demands of our future.

We have a vision of an Ontario where our highly trained and skilled workforce is the envy of the world for its commitment to safety and excellence. And we will achieve this by being committed to accountability, transparency, diversity, integrity and professionalism in the skilled trades.

I would like to offer my sincere gratitude to my colleagues on the Board of Governors, Registrar and CEO, David Tsubouchi, and College staff for their support, commitment and expertise. I look forward to another exciting and successful year ahead.

Thank you,

Pat Blackwood
Chair, Board of Governors

Registrar & CEO's Message

In just two and a half years, the College has already changed the landscape for skilled trades professionals in Ontario and for consumers who require their services. By any measure, 2015 was both an exciting and challenging year for us.

Through the College's media campaigns, we have started to change the conversation and challenge myths about the skilled trades as well as generate excitement about the many career options available for young people, women, new Canadians, Aboriginal People and everyone else who may be looking for an exciting opportunity. Partnering with Ontario's music industry, we created the innovative "Tune In, Trade Up" campaign, which included a video that generated more than 60,000 views in 2015 and saw more than 1,000 weekly visits to our site earnwhileyoulearn.ca. As well, the College's Chief Diversity Officer met with stakeholders in underrepresented communities across Ontario to explore ways to reduce barriers and ensure everyone has access to a skilled trades career.

The College has transformed from an unknown regulatory body into the "go-to" source for consumers and businesses who understand the need to "inquire before you hire" when it comes to engaging someone in a compulsory trade. In 2015, our Public Register received 752,579 site visits. This is a significant increase from the 327,054 in 2014. Those numbers were, in large part, due to earned media and social media campaigns.

None of this would have been possible without the support and engagement of many of Ontario's skilled trades professionals—the people who know best when it comes to their industry.

I would like to acknowledge the work of the College's enforcement officers, who implemented a series of enforcement blitzes this past winter, with a focus on the motive power sector. The team visited nearly 600 work sites during a two-week period in the GTA and southwestern Ontario. In 2015, more than 11,000 field visits were conducted and enforcement officers validated 32,600 credentials.

We continue to hear from skilled trades professionals who tell us how gratifying it is to see enforcement officers visiting worksites and checking certification—a major step in protecting the integrity of their trade as well as protecting consumers.

Along with upgrading curriculum and apprenticeship log books, our policy and programs department plays an important role in providing legislative analysis and decision support to ensure our work meets the highest standard.

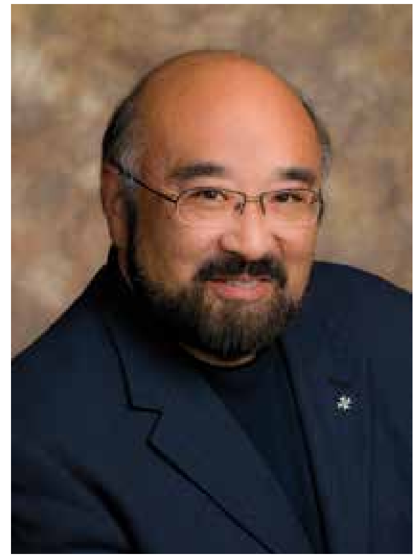
Our member services department assisted more than 260,000 stakeholders, potential and current apprentices, journeypersons and the general public who called and emailed questions. By confirming exam eligibility and providing exam guidance, member services assisted in the administration of 20,738 Certificate of Qualification exams.

Finally, I would like to extend a big thank you to our members for their constant feedback and engagement on issues that matter to their sectors and industry. Also, I want to acknowledge the hard work and dedication of the Board of Governors and its Chair, Pat Blackwood, for their commitment and efforts as well as our staff for continuing to exceed expectations.

Thank you,

David Tsubouchi

Registrar and CEO



David Tsubouchi, Registrar and CEO, Ontario College of Trades

None of this would have been possible without the support and engagement of many of Ontario's skilled trades professionals—the people who know best when it comes to their industry.

OVER 5,000

TRADE EQUIVALENCY ASSESSMENT (TEA) APPLICATIONS PROCESSED

1,882 FROM CANADA

254 FROM CHINA

106 FROM IRAN

93 FROM INDIA

42 FROM IRELAND

**Numbers represent top five countries*

20,738

CERTIFICATE OF QUALIFICATION EXAMS ADMINISTERED

50,000

NEW ONLINE SUBSCRIBERS FOR TRADES TODAY MAGAZINE

60,000+ VIEWS

ON TUNE IN, TRADE UP VIDEO

RECEIVED BY THE CLIENT SERVICES DEPARTMENT

OVER **260,000** CALLS

TOTAL COLLEGE MEMBERS

232,189

CONDUCTED BY ENFORCEMENT OFFICERS

11,000 FIELD VISITS

752,579 PUBLIC REGISTER SITE VIEWS

122 TRADE BOARD MEETINGS

13 DIVISIONAL BOARD MEETINGS

7 BOARD OF GOVERNORS MEETINGS

50,658 NEW VISITORS TO EARNWHILEYOULEARN.CA

2015

BY THE NUMBERS

Photo courtesy of Robert MacFarlane, certified tower crane operator

In 2015, the College's Board of Governors undertook an exercise to create mission, vision and values statements to help shape and guide the College's future.

Mission

Protecting the public interest through world-class training, self-regulation and promotion of a diverse and professional skilled trades workforce that contributes to the prosperity of Ontario.

Vision

An Ontario where our highly trained and proud skilled trades workforce is the envy of the world for its commitment to excellence and safety.

Values

The Ontario College of Trades is committed to accountability, transparency, diversity, integrity and professionalism while fulfilling its mandate.

"Since the creation of the College, it has become the largest single contributor of program development leadership and support to the National Red Seal Trades system."

David Tsubouchi, Registrar and CEO, Ontario College of Trades

Member Services

The College's member services department provides front-end customer service in person, by phone and by email and responds to a wide range of trade-related inquiries.

The member services team is responsible for processing member applications and payments, sending College membership credentials and validating exam eligibility.

In 2015, 20,738 Certificate of Qualification exams were administered, and over 260,000 calls were received by the client services department, averaging 22,291 calls each month.

Member Benefits

The College currently offers members access to four different benefits programs:

Home, auto and business insurance – Breckles Insurance offers members discounts on home, auto and business insurance, and tailored policies based on members' unique insurance profiles.

Health and dental insurance – Manulife Financial's health and dental plan has eight different plans for College members to choose from — helping members find one that best suits their family's needs.

Registered retirement savings plans (RRSP) – A pooled association RRSP through Manulife Financial provides College members benefits not accessible to those with individual RRSP plans, such as lower investment management fees, leading fund managers, and retirement planning tools and resources.

Email marketing – With the Canadian Anti-Spam Legislation (CASL) in effect, Constant Contact, a leading email marketing tool, is offering members of the College a better way to ensure their email marketing campaigns are CASL compliant, and discounts of up to 25 per cent.

2015
Membership Base

Apprentices
56,158

Journeypersons
172,749

Journeyperson Candidates
3,072

Tradespersons
114

Employers/ Sponsors
96

TOTAL Members
232,189

2015
Enforcement Visits

5,221 visits (46%)
Motive Power Garages

2,834 visits (25%)
ICI Construction

2,132 visits (19%)
Residential Construction

824 visits (7%)
Motive Power Auto Body Shops

338 visits (3%)
Service

27 visits (<1%)
Industrial

Enforcement

Throughout 2015, enforcement officers executed a number of strategic, province-wide targeted blitzes.

Focusing on the motive power and construction sectors in the Kingston, London and Markham areas, enforcement officers verified hundreds of credentials resulting in positive feedback from stakeholders, certified trades professionals and consumers.

More than 11,000 field visits were conducted and enforcement officers validated 32,600 credentials. Of the total field visits, around 4,200 individuals were found to be unauthorized workers and 36 Part III prosecutions were made. Nearly 1,500 calls were received from the public about potential uncertified workers under the *Ontario College of Trades and Apprenticeship Act, 2009*. The chart below shows the quarterly breakdown of field visits for each sector.

SECTOR	Q1	Q2	Q3	Q4	2015 TOTALS
ICI Construction	522	609	922	781	**2,834**
Residential Construction	277	493	742	620	**2,132**
Industrial	11	9	5	2	**27**
Motive Power Garages	1,003	1,178	1,178	1,862	**5,221**
Motive Power Auto Body Shops	168	184	205	267	**824**
Services	114	97	70	57	**338**
TOTAL	**2,095**	**2,570**	**3,122**	**3,589**	**11,376**

Protecting the Public Interest

In 2015, the College enhanced its Public Register, an online search tool that assists consumers in protecting themselves and their families. Increasing public awareness and ensuring regulatory compliance in Ontario's skilled trades protects both consumers and those who have dedicated their time to become trained and certified trades professionals.

Using either the individual's name or the eight-digit number found on their College membership card, consumers can find further information on the tradespersons credentials and status.

The Public Register was re-designed to provide the public with a user-friendly experience and with more accurate search results across multiple browsers and devices. In 2015, the Public Register received 752,579 site visits.

With a focus on consumer protection and promoting the skilled trades to youth, the College produced several well-received videos in 2015.

Working with consumer advocate Peter Silverman and certified master electrician, Frank Cozzolino, the College created an informative consumer awareness video.

Its primary message was to advise people to confirm credentials on the College's Public Register before hiring someone to do the work of a compulsory trade.

The video, which has been viewed over 3,500 times, is accessible on the College's YouTube channel, CollegeofTrades.

Frank Cozzolino, certified master electrician

Tune In, Trade Up Campaign

Through original media campaigns, the College is changing the conversation and challenging myths about the skilled trades and generating excitement about the many career options available for young people. Partnering with Ontario's music industry, the College created the "Tune In, Trade Up" campaign and video which generated more than 60,000 views in 2015 and saw more than 1,000 visits a week to its youth site earnwhileyoulearn.ca. The behind-the-scenes video of two popular music festivals in Ontario—WayHome Music and Arts and Boots & Hearts—illustrated that skilled trades professionals are the success behind massive music festivals across the province.

In addition, the College partnered with Universal Music Canada and Stanley Black & Decker to create two separate contests to drive traffic to earnwhileyoulearn.ca. This contributed to an increase of the College's social media presence on both Twitter and Instagram, and increased email inquiries from individuals interested in apprenticing in a skilled trade.

For Esmé performing at WayHome Music & Arts Festival

Promoting Skilled Trades

Trades Today

The 2015 winter issue of *Trades Today*, featuring Joffrey Lupul of the Toronto Maple Leafs and a behind-the-scenes look at the Air Canada Centre through the eyes of the hardworking tradespeople, was the College's most viewed issue to date. In 2015 alone, the College gained nearly 50,000 new online subscribers and the open rate for *Trades Today* averaged 48 per cent, which is 25 per cent higher than the average sector open rate. Every issue of the quarterly magazine is sent to thousands of College members and stakeholders.

50,000 new subscribers in 2015

From left to right: David Tsubouchi, College's Registrar & CEO, Pat Blackwood, College's Chair of the Board of Governors, Reza Moridi, Minister of Training, Colleges and Universities, and Gail Smyth, Skills Ontario Executive Director.

Stakeholder Engagement

The College participated in more than 200 events in 2015. Some major events included the Maclean's Student Life Expo, Future Building and the Ontario Technological Skills Competition (Skills Ontario). The College was once again a proud sponsor of the Ontario Technological Skills Competition, which hosted thousands of students across the province.

New promotional materials were created for guidance counsellors, youth and military veterans to provide each group with tailored information on the apprenticeship pathway and the Trade Equivalency Assessment process.

The College also joined the advisory committee for a three-year research project, funded by Status of Women Canada, that explores barriers for women in construction and the development of an action plan to increase representation.

Modernizing Skilled Trades

2015 Trade Equivalency Assessment

Total TEA applications processed in 2015 — **5,191**

Ontario applicants — **57%**

Out-of-province applicants — **9%**

Internationally-trained applicants — **34%**

Helmets to Hardhats Director Gregory C. P. Matte (left) with boilermaker and former military personnel, Ted Collins.

Trade Equivalency Assessment

The Trade Equivalency Assessment (TEA) is a process used to assess a foreign-trained or out-of-province candidate's skills and experience against an apprenticeship program in Ontario.

The College's Trade Equivalency Assessment department participated in the Federal Foreign Credential Recognition Project, which has a key mandate to harmonize Trade Equivalency Assessment forms across Canada.

In addition, the College worked closely with the Office of the Fairness Commissioner to ensure the College recognizes foreign-trained credentials.

Individuals from Ontario, other provinces, territories or countries with experience that is deemed equivalent to an Ontario Certificate of Apprenticeship, can qualify to write the exam for that trade. Over 5,000 TEA applications were processed in 2015.

To help promote the Trade Equivalency Assessment process to Canadian Forces veterans, current military personnel and employers, the College partnered with Helmets to Hardhats and some veterans who have made the transition to create the "Trading Helmets for Hardhats" video. The video was featured on the websites of *Canadian Military Family* magazine and *Collision Repair* magazine.

"When I got out of the military, I wasn't sure what was going to happen. I got out and got into a trade with the boilermakers – my life has changed incredibly."

Ted Collins, boilermaker and retired corporal, *Trades Today* – Fall 2015

New Red Seal Trades

With the support of their respective Trade Boards, three heavy equipment operator trades and the drywall finisher and plasterer trade announced that their trade will offer a Red Seal Endorsement (RSE). The RSE is a professional designation that recognizes the knowledge, skills and experience of a journeyperson. The RSE signifies the standard of excellence of the Red Seal Program.

Jamie Catalli, refrigeration and air conditioning systems mechanic

Modernizing Skilled Trades

Darryl Grenier, refrigeration and air conditioning systems mechanic

Training & Curriculum Standards

In 2015, the College began the process to develop, update and approve 33 training standards and 13 curriculum standards. Log books for apprentices in high-volume, competency-based trades were created to help apprentices keep track of their hours and training competencies as they move through their apprenticeship training.

The new log books were distributed to thousands of apprentices. By leveraging its Trade Boards and subject-matter experts to develop and validate trade-specific content, 70 trade fact sheets were created, designed and uploaded to the College's website.

These trade fact sheets provide important information on the trades, apprenticeship, and the College for prospective apprentices and career choice influencers. These fact sheets are an important resource for those seeking more information about apprenticing in a particular trade.

In 2015, the College began the process to develop, update and approve 33 training standards and 13 curriculum standards.

Diversity, Equity & Inclusion

With a focus on continuing to build activities to advance diversity, equity and inclusion in the trades, the College's Chief Diversity Officer met with stakeholders in underrepresented communities across Ontario and established valuable partnerships and explored methods to reduce barriers in the trades for various groups.

Diversity community partnerships include: Canadian Association for Women in Construction, MicroSkills, Women in the Trades, Aboriginal Apprenticeship Board of Ontario, Indspire, Native Women's Association of Canada, Skills for Change and Markham North Welcome Centre.

In addition, the College has created dedicated web resources for Aboriginal Peoples, new Canadians and women considering a career in the trades.

Deloitte.

Deloitte LLP
5140 Yonge Street
Suite 1700
Toronto ON M2N 6L7
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Independent Auditor's Report

To the Board of Governors
Ontario College of Trades

We have audited the accompanying financial statements of the Ontario College of Trades (the "College"), which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2015 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
April 19, 2016

Statement of financial position

as at December 31, 2015

ASSETS	2015	2014
	$	$
Current assets		
Cash	**13,845,348**	12,809,266
Cash - internally restricted (Note 3)	**6,000,000**	-
Accounts receivable (Note 4)	**5,500,119**	3,163,037
Prepaid expenses	**390,636**	218,675
	25,736,103	16,190,978
Capital assets (Note 5)	**2,891,353**	3,422,462
	28,627,456	19,613,440

LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	**2,303,211**	1,823,278
Deferred revenue (Note 7)	**16,943,845**	13,728,390
Current portion of deferred rent inducements	**109,371**	109,371
Current portion of capital lease obligation (Note 10)	**102,630**	82,479
	19,459,057	15,743,518
Long term		
Deferred capital contributions (Note 8)	**1,190,562**	1,761,692
Deferred rent inducements	**464,830**	574,201
Capital lease obligation (Note 10)	**78,216**	88,838
	1,733,608	2,424,731
	21,192,665	18,168,249
Commitments		

NET ASSETS (DEFICIT)		
Invested in capital assets	**1,519,945**	1,489,453
Internally restricted (Note 3)	**6,000,000**	-
Unrestricted	**(85,154)**	(44,262)
	7,434,791	1,445,191
	28,627,456	19,613,440

Approved on behalf of the Board of Governors

______________________ Chair

The accompanying notes to the financial statements are an integral part of this financial statement.

Statement of operations

year ended December 31, 2015

REVENUE	2015	2014
	$	$
Membership fees (Note 7)	**22,744,224**	20,919,507
Other fees (Note 7)	**5,005,294**	4,734,736
Amortization of deferred capital contributions	**571,130**	757,758
Interest and other income	**185,774**	160,669
	28,506,422	26,572,670

EXPENSES		
Salaries and benefits	**15,044,123**	14,095,023
General and administration	**2,983,987**	2,655,854
Professional services	**602,872**	672,114
Trade governance and stakeholder meetings	**1,090,930**	945,320
Member communications	**1,690,745**	2,202,845
Amortization of capital assets	**1,104,165**	1,085,763
	22,516,822	21,656,919
Excess of revenue over expenses	**5,989,600**	4,915,751

The accompanying notes to the financial statements are an integral part of this financial statement.

Statement of changes in net assets

year ended December 31, 2015

NET ASSETS	INVESTED IN CAPITAL ASSETS	INTERNALLY RESTRICTED	UNRESTRICTED	2015 TOTAL	2014
	$	$	$	$	$
Net assets (deficit), beginning of year	**1,489,453**	**-**	**(44,262)**	**1,445,191**	(3,470,560)
Excess of revenue over expenses	**-**	**-**	**5,989,600**	**5,989,600**	4,915,751
Additions to capital assets	**573,056**	**-**	**(573,056)**	**-**	-
Amortization of capital assets	**(1,104,165)**	**-**	**1,104,165**	**-**	-
Amortization of deferred capital contributions	**571,130**	**-**	**(571,130)**	**-**	-
Capital lease obligations incurred	**(20,151)**	**-**	**20,151**	**-**	-
Capital lease obligations repaid	**10,622**	**-**	**(10,622)**	**-**	-
Inter-fund transfer (Note 3)	**-**	**6,000,000**	**(6,000,000)**	**-**	-
Net assets, end of year	**1,519,945**	**6,000,000**	**(85,154)**	**7,434,791**	1,445,191

The accompanying notes to the financial statements are an integral part of this financial statement.

Statement of cash flows

year ended December 31, 2015

OPERATING ACTIVITIES	2015	2014
	$	$
Excess of revenue over expenses	**5,989,600**	4,915,751
Add items not affecting cash		
Amortization of capital assets	**1,104,165**	1,085,763
Amortization of deferred capital contributions	**(571,130)**	(757,758)
Deferred rent inducements	**(109,371)**	(109,371)
	6,413,264	5,134,385
Net changes in non-cash working capital balances		
Accounts receivable	**(2,337,082)**	(107,241)
Prepaid expenses	**(171,961)**	(24,677)
Accounts payable and accrued liabilities	**479,933**	67,323
Deferred revenue	**3,215,455**	1,648,084
	7,599,609	6,717,874
FINANCING ACTIVITIES		
Capital lease obligation incurred	**20,151**	161,259
Capital lease obligations repaid	**(10,622)**	(95,313)
	9,529	65,946
INVESTING ACTIVITY		
Additions to capital assets	**(573,056)**	(727,636)
Net cash inflow	**7,036,082**	6,056,184
Cash, beginning of year	**12,809,266**	6,753,082
Cash, end of year	**19,845,348**	12,809,266
COMPRISED OF:		
Cash	**13,845,348**	12,809,266
Cash - internally restricted	**6,000,000**	-
	19,845,348	12,809,266

The accompanying notes to the financial statements are an integral part of this financial statement.

1. NATURE OF OPERATIONS

The Ontario College of Trades (the "College" or "OCOT") is a regulatory body incorporated without share capital under the Ontario College of Trades and Apprenticeship Act, 2009. The College has a statutory mandate to regulate certain skilled trades in Ontario in the public interest. It performs standard regulatory functions such as:

- Protection of the public interest by monitoring and enforcing compliance with the Ontario College of Trades and Apprenticeship Act, 2009;
- Promoting the skilled trades as a first-choice career option to youth and underrepresented groups;
- Developing the curriculum, training standards and assessment tools;
- Issuing certificates of qualification and statements of membership; and
- Establishing apprenticeship programs.

As a not-for-profit corporation, the College is exempt from tax under section 149(1) of the Income Tax Act provided certain criteria are met. The College confirms it meets the criteria and qualifies for this tax status for all years since incorporation.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial statement presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, using the deferral method of reporting restricted contributions.

Revenue recognition

Grant revenue is recognized as the related expenditures are incurred. Unearned amounts received are shown as deferred revenue at year end. In 2013, OCOT received an additional grant from the Ministry of Training, College and Universities ("MTCU") ("MTCU Credits"). The grant was intended to partially offset membership fees of members transferred from MTCU. Members have the option to receive the MTCU credits in cash if they opt not to be a member of OCOT. MTCU credits revenue is recognized when the invoice is paid, partially or in full, by the member. Any unused MTCU credit is recorded as deferred revenue. Unused MTCU credits will be returned to MTCU in the future upon demand.

Membership fees revenue is recognized over the 12-month period using the deferral method.

OCOT charges other fees to its members such as examination fees, issuance of certificates, reinstatement, and other fees. These fees are recognized as revenue when services are rendered.

Financial instruments

The College initially recognizes financial instruments at fair value. Subsequently, at each reporting date, it measures cash and investments at fair value, and accounts payable and accrued liabilities, debt and other liabilities at amortized cost.

Capital assets

Capital assets are recorded at cost. Amortization is provided on the straight line basis over the lesser of the remaining term of the lease or their estimated useful lives, as follows:

Computer equipment	3 years
Computer software	3 to 5 years
Office equipment, furniture and fixtures	5 years
Leasehold improvements	10 years
Vehicles	5 years

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for doubtful accounts

The College records an allowance for doubtful accounts considering the age of an outstanding receivable and the likelihood of its collection. Provisions are also made where collection of the receivable is doubtful based on information gathered through collection efforts. An allowance is reversed once collection of the debt is successful or the amount is written off.

Harmonized Sales Tax rebate and Input Tax Credit

From October 14, 2010 to April 7, 2013, the College exercised its option to not collect Harmonized Sales Tax ("HST") in respect of membership fees. Since the College qualified as a public service body it applied for a rebate of 50% of the Federal portion and 82% of the Provincial portion of the HST it paid. The rebate received for HST paid in respect of capital asset purchases has been deferred and will be recognized as revenue as the related capital assets are amortized.

OCOT started collecting membership fees on April 8, 2013 and opted to collect HST on the membership fees, net of the MTCU credits applied. Other transactional fees being collected (exam fees, provisional certificate fees etc.) are also charged HST. Consequently, OCOT started claiming Input Tax Credit on the same date.

Deferred rent inducements

Deferred rent inducements, consisting of free rent, are amortized on the straight-line basis over the term of the lease.

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 reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates and assumptions include accrued liabilities, deferred revenue, and the amortization of capital assets.

3. INTERNALLY RESTRICTED CASH

During the year, cash in the amount of $6,000,000 was internally restricted for purposes of long-term strategic initiatives. The reserve will be invested according to the College's investment policy.

4. ACCOUNTS RECEIVABLE

Accounts receivable are presented net of allowance for doubtful accounts which amounts to $755,919 as at December 31, 2015 (2014 – $Nil).

5. CAPITAL ASSETS

			2015	2014
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE	NET BOOK VALUE
	$	$	$	$
Computer equipment and related software	2,707,195	(1,357,088)	1,350,107	1,379,568
Office equipment, furniture and fixtures	981,180	(754,231)	226,949	414,460
Leasehold improvements	1,494,786	(647,180)	847,606	990,126
Vehicles	858,082	(391,391)	466,691	638,308
	6,041,243	(3,149,890)	2,891,353	3,422,462

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include $281,514 (2014 - $198,176) in remittances owed to the government.

7. DEFERRED REVENUE

	2015	2014
	$	$
Opening balance	**13,728,390**	12,080,306
Add: amounts received	**30,965,619**	27,325,289
Less: refunds	**646**	22,962
Less: membership fees recognized as revenue	**22,744,224**	20,919,507
Less: other fees recognized as revenue	**5,005,294**	4,734,736
Balance, end of year	**16,943,845**	13,728,390

8. DEFERRED CAPITAL CONTRIBUTIONS

	2015	2014
	$	$
Opening balance	**1,761,692**	2,519,450
Less: amounts recognized as revenue	**571,130**	757,758
Balance, end of year	**1,190,562**	1,761,692

9. CREDIT FACILITY

During the year, the College has access to a credit facility with a major bank up to $3,000,000 that is secured by covenants on accounts receivable, accessible through corporate credit cards, operating line of credit and bankers' acceptances. No amounts were withdrawn during 2015 and all financial covenants have been met as of December 31, 2015.

10. COMMITMENTS

The College has obligations under non-cancelable capital and operating leases and a service agreement. The minimum annual payments consist of the following:

	OPERATING LEASE	CAPITAL LEASE
	$	$
2016	1,009,547	100,267
2017	1,009,547	59,051
2018	1,011,960	17,938
2019	975,230	-
2020	989,327	-
Thereafter	247,332	-
Minimum annual lease payments	5,242,943	177,256
Add: amount representing interest		3,590
Total obligations	5,242,943	180,846
Less: current portion	1,009,547	102,630
	4,233,396	78,216

10. COMMITMENTS (CONTINUED)

The effective average interest rate of the capital leases is 2% (2014 - 1.2%) with an average term to maturity of three years (2014 - three years). Interest income of $2,737 (2014 - interest expense of $3,011) related to capital leases is included in the Statement of operations.

11. PUBLIC SERVICE PENSION PLAN

Some of the College's employees transferred from the MTCU on April 1, 2011. These employees participate in the Public Service Pension Fund ("PSPF") which is a defined benefit pension plan. The Province of Ontario, which is the sole sponsor of the PSPF, determines the College's annual contributions to the PSPF. Since the College is not a sponsor of these funds, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the College, as the sponsor is responsible for ensuring that the pension funds are financially viable. The College's expense is limited to the required contributions to the PSPF. The College's employer contributions to the plan during 2015 amounted to $103,560 (2014 - $120,705).

Seated (left to right): David Tsubouchi (Registrar & CEO), Suzette Cameron, Robin Barker, Pat Blackwood (Chair), Ron Johnson, Tom Carvin, Douglas Reynolds, Irene Harris.

Standing (left to right): Jamie Holmes, Louie Leombruni, Don Gosen, Piero Cherubini, Catherine Poultney, Howard Deane, James Barry, Paul Sousa.

Missing from picture: Rob Brewer, Pauline Faubert, Royston Maybery.

BOARD OF GOVERNORS

Board of Governors

The College is governed by its Board of Governors, which provides leadership to manage and administer the College's regulatory and business operations. The Board is responsible for promoting the College's mandate by providing oversight of management's resource allocation, risk management and financial policies and decisions.

Divisional Boards

Four Divisional Boards represent the four skilled trades sectors: construction, motive power, industrial, and service. Divisional Boards advise the Board of Governors on issues within their sector, including trends, emerging technologies, opportunities and challenges.

Trade Boards

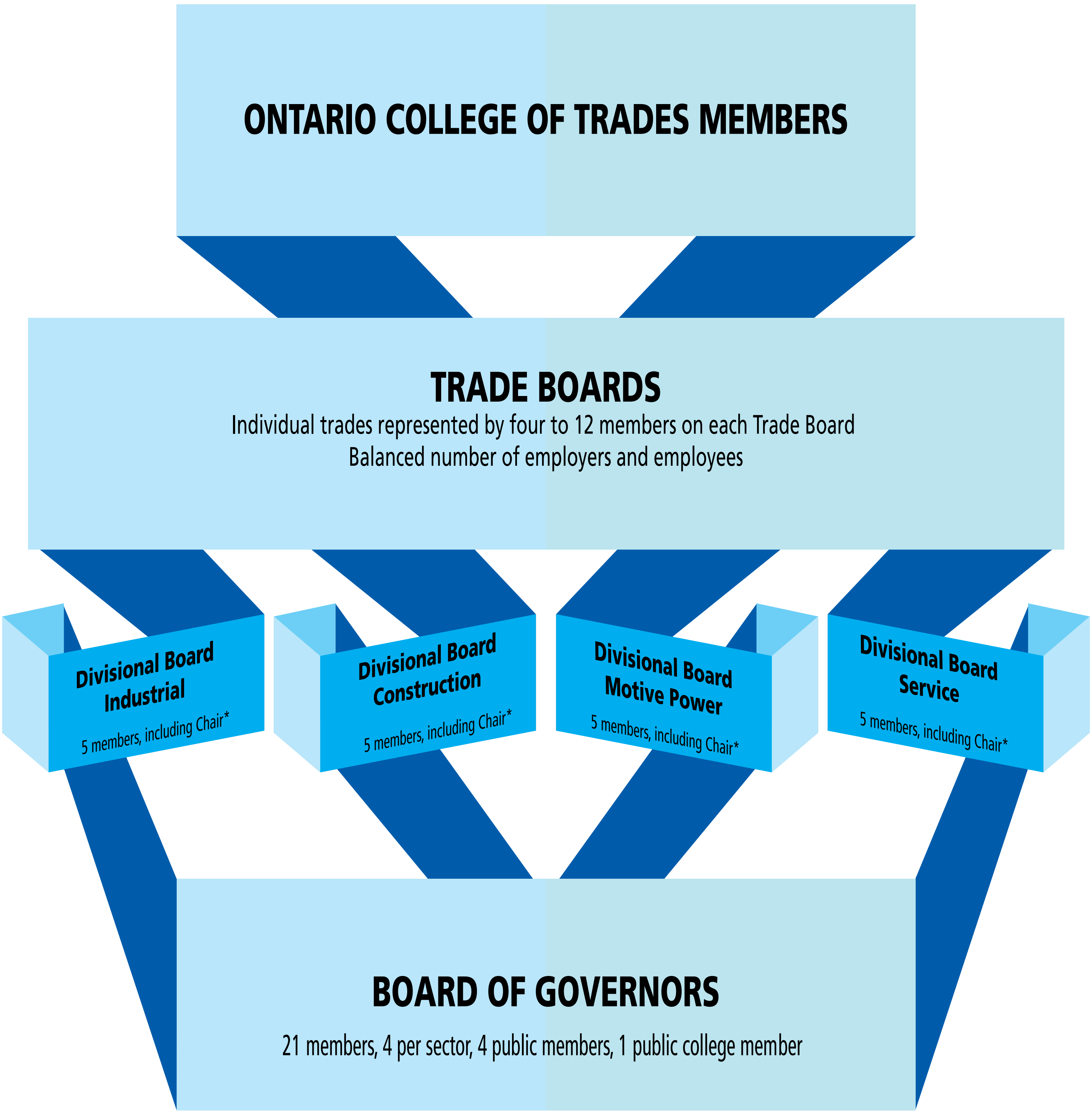
Trade Boards advise and make recommendations to the Divisional Board for its sector on issues relating to the trade (or group of trades) for which it was established. Trade Boards are responsible for overseeing the development and updating of apprenticeship training standards, curriculum standards and exams.

In 2015, there were 122 Trade Board meetings, 13 Divisional Board meetings and seven Board of Governors meetings.

Appointments to the College's Governance Structure

Appointments to the Board of Governors, Divisional Boards and Trade Boards are made by an independent Appointments Council. In accordance with the *Ontario College of Trades and Apprenticeship Act, 2009*, the College of Trades Appointments Council has the duty to actively seek qualified candidates to be appointed to the College's governance structure. More information can be found at cot-appointments.ca.

Organizational Structure



**Chair is also member of the Board of Governors*

Compulsory and Voluntary Trades

Compulsory Trades

A trade in which registration as an apprentice, journeyperson candidate or certification as a journeyperson is mandatory. There are currently 22 skilled trades that are designated as compulsory.

Alignment and Brakes Technician

Auto Body and Collision Damage Repairer

Auto Body Repairer

Automotive Electronic Accessory Technician

Automotive Service Technician

Electrician — Construction and Maintenance

Electrician — Domestic and Rural

Fuel and Electrical Systems Technician

Hairstylist

Hoisting Engineer — Mobile Crane Operator 1

Hoisting Engineer — Mobile Crane Operator 2

Hoisting Engineer — Tower Crane Operator

Motorcycle Technician

Plumber

Refrigeration and Air Conditioning Systems Mechanic

Residential (Low Rise) Sheet Metal Installer

Residential Air Conditioning Systems Mechanic

Sheet Metal Worker

Steamfitter

Transmission Technician

Truck and Coach Technician

Truck-Trailer Service Technician

Voluntary Trades

Every trade that is not identified as compulsory is, by default, voluntary. Certification is offered in some voluntary trades, but is not a requirement to practise in the trade.

- Aboriginal Child Care Practitioner
- Agricultural - Dairy Herdsperson
- Agricultural - Fruit Grower
- Agricultural - Swine Herdsperson
- Agricultural Equipment Technician
- Appliance Service Technician
- Arborist
- Architectural Glass and Metal Technician
- Assistant Cook
- Automotive Glass Technician
- Automotive Painter
- Baker
- Baker-Patissier
- Bearings Mechanic
- Blacksmith
- Brick and Stone Mason
- Cabinetmaker
- Cement (Concrete) Finisher
- Chef
- Child and Youth Worker
- Child Development Practitioner
- Composite Structures Technician
- Computer Numerical Control (CNC) Programmer
- Concrete Pump Operator
- Construction Boilermaker
- Construction Craft Worker
- Construction Millwright
- Cook
- Developmental Services Worker
- Die Designer
- Draftsperson - Mechanical
- Draftsperson - Plastic Mould Design
- Draftsperson - Tool and Die Design
- Drywall Finisher and Plasterer
- Drywall, Acoustic and Lathing Applicator
- Educational Assistant
- Electric Motor System Technician
- Electrical Control (Machine) Builder
- Electrician (Signal Maintenance)
- Electronic Service Technician
- Elevating Devices Mechanic
- Entertainment Industry Power Technician
- Exterior Insulated Finish Systems Mechanic
- Facilities Mechanic
- Facilities Technician
- Fitter - Assembler (Motor Assembly)
- Floor Covering Installer
- Gemsetter/Goldsmith
- General Carpenter
- General Machinist
- Hardware, Lumber and Building Materials Retailer
- Hazardous Materials Worker
- Heat and Frost Insulator
- Heavy Duty Equipment Technician
- Heavy Equipment Operator - Dozer
- Heavy Equipment Operator - Excavator
- Heavy Equipment Operator - Tractor Loader Backhoe
- Horse Groom
- Horse Harness Maker
- Horticultural Technician
- Hydraulic/Pneumatic Mechanic
- Industrial Electrician
- Industrial Mechanic Millwright
- Information Technology - Contact Centre Customer Service Agent
- Information Technology - Contact Centre Sales Agent
- Information Technology - Contact Centre Technical Support Agent
- Information Technology - Hardware Technician
- Information Technology - Network Technician
- Institutional Cook
- Instrumentation and Control Technician
- Ironworker - Generalist
- Ironworker - Structural and Ornamental
- Light Rail Overhead Contact Systems Linesperson
- Locksmith
- Machine Tool Builder and Integrator
- Marine Engine Technician
- Metal Fabricator (Fitter)
- Micro Electronics Manufacturer
- Motive Power Machinist
- Mould Designer
- Mould Maker
- Mould or Die Finisher
- Native Clothing and Crafts Artisan
- Native Residential Construction Worker
- Network Cabling Specialist
- Optics Technician (Lens and Prism Maker)
- Packaging Machine Mechanic
- Painter and Decorator - Industrial
- Painter and Decorator -Commercial and Residential
- Parts Technician
- Pattern Maker
- Pool, Hot Tub and Spa - Installer
- Pool, Hot Tub and Spa - Service Technician
- Powered Lift Truck Technician
- Powerline Technician
- Precast Concrete Erector
- Precast Concrete Finisher
- Precision Metal Fabricator
- Pressure Systems Welder
- Process Operator - Wood Products
- Process Operator - Food Manufacturing
- Process Operator - Power
- Process Operator - Refinery, Chemical and Liquid Processes
- Pump Systems Installer
- Railway Car Technician
- Recreation Vehicle Technician
- Refractory Mason
- Reinforcing Rodworker
- Relay and Instrumentation Technician
- Restoration Mason
- Retail Meat Cutter
- Roll Grinder/Turner
- Roofer
- Saddlery
- Saw Filer/Fitter
- Ski Lift Mechanic
- Small Engine Technician
- Special Events Coordinator
- Sprinkler and Fire Protection Installer
- Surface Blaster
- Surface Mount Assembler
- Terrazzo, Tile and Marble Setter
- Thin Film Technician
- Tire, Wheel and Rim Mechanic
- Tool and Cutter Grinder
- Tool and Die Maker
- Tool and Gauge Inspector
- Tool/Tooling Maker
- Tractor-Trailer Commercial Driver
- Turf Equipment Technician
- Utility Arborist
- Water Well Driller
- Welder
- Wooden Boat Rebuilder

Contact Information

Contact us
Ontario College of Trades
655 Bay Street, Suite 600
Toronto, Ontario M5G 2K4

Office hours
Monday – Friday, 8:30 a.m. – 5:00 p.m.

Call Centre hours
Monday – Friday, 7 a.m. – 7 p.m.

Telephone
(647) 847-3000; 1 (855) 299-0028 (Toll-Free in Ontario)

Fax
(647) 340-4332

Email
info@collegeoftrades.ca

Web
www.collegeoftrades.ca
www.earnwhileyoulearn.ca

Social
Twitter: @collegeoftrades
Youtube Channel: Collegeoftrades
Instagram: Collegeoftrades
LinkedIn: Collegeoftrades

Tony DeGroot, drywall, acoustic and lathing applicator

ONTARIO COLLEGE OF TRADES
ORDRE DES MÉTIERS DE L'ONTARIO

SHAPING THE FUTURE

BUILDING ON EXPERIENCE

MIX
Paper from responsible sources
FSC® C092711
FSC
www.fsc.org