CMRAO
Condominium Management Regulatory Authority of Ontario

2023–24 Annual Report

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2023–24

THE YEAR IN NUMBERS

Active Licensees:	4,891 ↑
Complaints received:	983 ↑
Social media followers:	4,050 ↑
Email inquiries	4,316 ↑
Inbound phone calls received:	7,256 ↑

FRENCH LANGUAGE SERVICE

Phone calls:	Email inquiries:	Complaints:
38 ↑	0 ↓	1 ↑

Message from the Chair

Purpose-Driven Refinement to Strengthen an Evolving Sector

Condominium managers play a critical role in supporting thriving communities and ensuring that condo living is well managed for all residents. As the definition of “condominium” continues to change, we are seeing increasing numbers of people who call condominiums home—whether as owners, or as renters. An expanded condominium industry increases the demand for licensed and competent managers.

As the CMRAO continues to define its role in Ontario’s condominium sector, we have connected with similar entities in other Canadian jurisdictions to share our experiences and learn from them. This level of cooperation has been beneficial and what we have gleaned from these and similar kinds of designated administrative authorities involved in Ontario’s condominium sector have helped to shape and crystalize the work we are doing.

The CMRAO is an efficient organization that optimizes its resources to deliver value without sacrificing its effectiveness. Our licensing process is noted for its efficiency and rigor, which is crucial for maintaining high standards within the industry.

We continue our efforts to modernize the regulatory function, recalibrating the enterprise to remain relevant in a landscape that continues to evolve. The addition of an ongoing inspections program and a continuing education program ensures our licensees are both compliant and constantly developing new skills to adapt to rapid changes in the condominium sector. The ultimate goal of what we do is advancing the profession.

Expansion of the condominium industry is happening on a national level, and the contributions the CMRAO makes to the ecosphere of the housing policy agenda in Ontario is only possible because of our dedicated staff, and our meaningful work with stakeholders, which includes our provincial counterparts who strengthen all that we do.

On behalf of the Board of Directors, I am pleased to share the CMRAO’s 2023–24 annual report, which reflects the work the organization has accomplished this year, and the role we continue to play in building trust in the condominium management profession, which is essential for the health of Ontario’s expanding condominium communities.

Aubrey LeBlanc
Chair of the Board of Directors

Message from the Chief Executive Officer and Registrar

Regulatory Stability During a Time of Change

Ontario's condominium landscape continues to experience growth and housing supply is a key initiative at every level of government. In 2023–24, as the number of condominium corporations grew by 2.75% the sector also experienced growth in the number of managers (General Licensees) by 4.6% to support the emergence of these new communities. In addition, we continue to see steady growth in the number of applicants for a Limited Licence who are generally new entrants to the condominium management profession. This is growth that is necessary for the health and sustainability of the sector.

This year, the CMRAO broadened its compliance program to include proactive standardized inspections of condominium management provider businesses, focusing on their record-keeping processes, supervision of Limited Licensees, and ensuring their staff are properly licensed. Information about how provider businesses operate on different scales and good practices currently in place will be useful as we develop practice guidelines that all licensees can benefit from in the future.

The 2023–24 audited financial statements included in this annual report reflect responsible and prudent fiscal management and an effective use of licensing fees. This year's activities also demonstrate our organizational stability post-pandemic during a time of shifting workplace culture. Our structure, processes, and policies continue to drive the organization forward, and abide by our well-established vision, mission, and values.

The CMRAO's Board of Directors has continued its effective oversight of the organization. Their efforts have guided our short and long-term transformational initiatives that are consistent with a broader strategic vision. I would also like to thank our colleagues at the Ministry of Public and Business Service Delivery and Procurement, and other stakeholders in the sector for their ongoing support and collaboration that have only strengthened our service delivery and helped us keep sight of what is important now and looking forward.

Condominium managers have an increasingly significant role to play in supporting communities across the province, and the CMRAO will continue to support the industry to ensure they are prepared to meet these changes.

As growth in Ontario's condominium sector continues, the CMRAO is well-positioned to adapt to the challenges ahead.

Ali Arlani
Chief Executive Officer and Registrar

Organization Overview

The Condominium Management Regulatory Authority of Ontario (CMRAO) is the regulatory body established to provide stronger consumer protection for owners and residents of condominiums in Ontario. Through effective regulation, the CMRAO strengthens the condominium management profession and helps protect consumers in Ontario's complex and rapidly growing condominium sector.

The CMRAO administers the *Condominium Management Services Act, 2015* (CMSA) and its regulations by setting standards and enforcing the mandatory licensing of condominium managers and condominium management provider businesses.

The CMRAO is a not-for-profit corporation funded primarily through licensing fees from condominium managers and condominium management provider businesses. The organization is governed by an independent Board of Directors and operates under an administrative agreement with the Minister of Public and Business Service Delivery and Procurement (MPBSDP).

From the day it began operations, the CMRAO has been a digital-first organization with online services available to consumers and licensees, including the submission of complaints or licence applications and renewals.

The current Annual Report should be read in conjunction with the CMRAO's Business Plan 2023–2024 and the Strategic Plan 2022 to 2025, as these documents combined present a comprehensive picture of the organization's performance targets and achievements.

Sector Outlook

Ontario's condominium sector is continuously expanding. There are now 13,040 condominium corporations and nearly 892,470 condominium units[1] in Ontario, and growth is anticipated to continue. The Government of Ontario has identified housing as a priority by introducing **legislation** to speed up the process and setting an ambitious goal to add 1.5 million homes, many of which are expected to be multi-residential units. This will create an increased demand for condominium management services provided by licensed professionals.

As of March 31, 2024, there were 4,490 licensed condominium managers in Ontario, an increase of 8.1% from the same period in 2023, including 2,649 General Licensees and 1,837 Limited Licensees. There are 401 licensed condominium management provider businesses in Ontario, most of which employ multiple condominium managers.

[1] Data provided by the Condominium Authority of Ontario

Strategic Context

Mandate, Mission, Vision, and Values

Mandate

To set standards and enforce the mandatory licensing of condominium managers and condominium management provider businesses.

Mission

To enhance consumer protection through modern and effective regulation and education of the condominium management sector.

Vision

To build public confidence that the assets of condominium communities are well managed and protected.

Values

The CMRAO is committed to the following values that guide our behaviour and support our efforts to achieve our strategic and operational objectives:

- Building trust by carrying out our mission with integrity, transparency, accountability, and a commitment to fairness.
- Service excellence through our commitment to responsiveness, respect, and results in all our interactions with the public, the regulated community, and our partners.
- Diversity and inclusion by incorporating the principles of diversity and inclusion in all aspects of our work and services that we provide.
- Learning organization by focusing on education and sharing knowledge with our stakeholders through a variety of training methods.

Operational Context

Services

Since inception, the CMRAO has established itself as an effective regulator to bring increased oversight and professionalism to the condominium management sector. This strong foundation is essential to effectively deal with the ever-increasing size and complexity of Ontario's condominium market. The CMRAO protects the public interest by:

- Administering a mandatory licensing system for all condominium managers and management provider businesses and ensuring only qualified individuals with the appropriate training and education hold a licence.
- Maintaining an online public registry of licensed condominium managers and condominium management provider businesses. The public registry provides information about licensees, including conditions, suspensions, revocations, and disciplinary actions.
- Promoting and enforcing compliance with the CMSA and its regulations, licensing requirements, and the Code of Ethics.
- Addressing complaints by conducting inspections and investigations, assisting in issues resolution, holding discipline hearings, and taking corrective actions.
- Establishing education requirements and delivery of educational programs for condominium managers.
- Promoting awareness of the regulatory system.

French Language Services

The CMRAO makes its services available in French, publishes e-newsletters to licensees and stakeholders in both official languages, and provides social media updates as well as other corporate reporting documents in French. In addition, the majority of the CMRAO's public-facing communications, including the website, are available in French.

Accessible Services

The CMRAO's staff are trained to respond to phone calls received through teletypewriter (TTY), a confidential service that makes communication easier for callers who are deaf, deafened, hard of hearing, or those with speech disabilities. The CMRAO also creates communications materials using accessibility best practices, and the website is compliant with the Web Content Accessibility Guidelines (WCAG) 2 .0, level AA.

Complaints Against the CMRAO

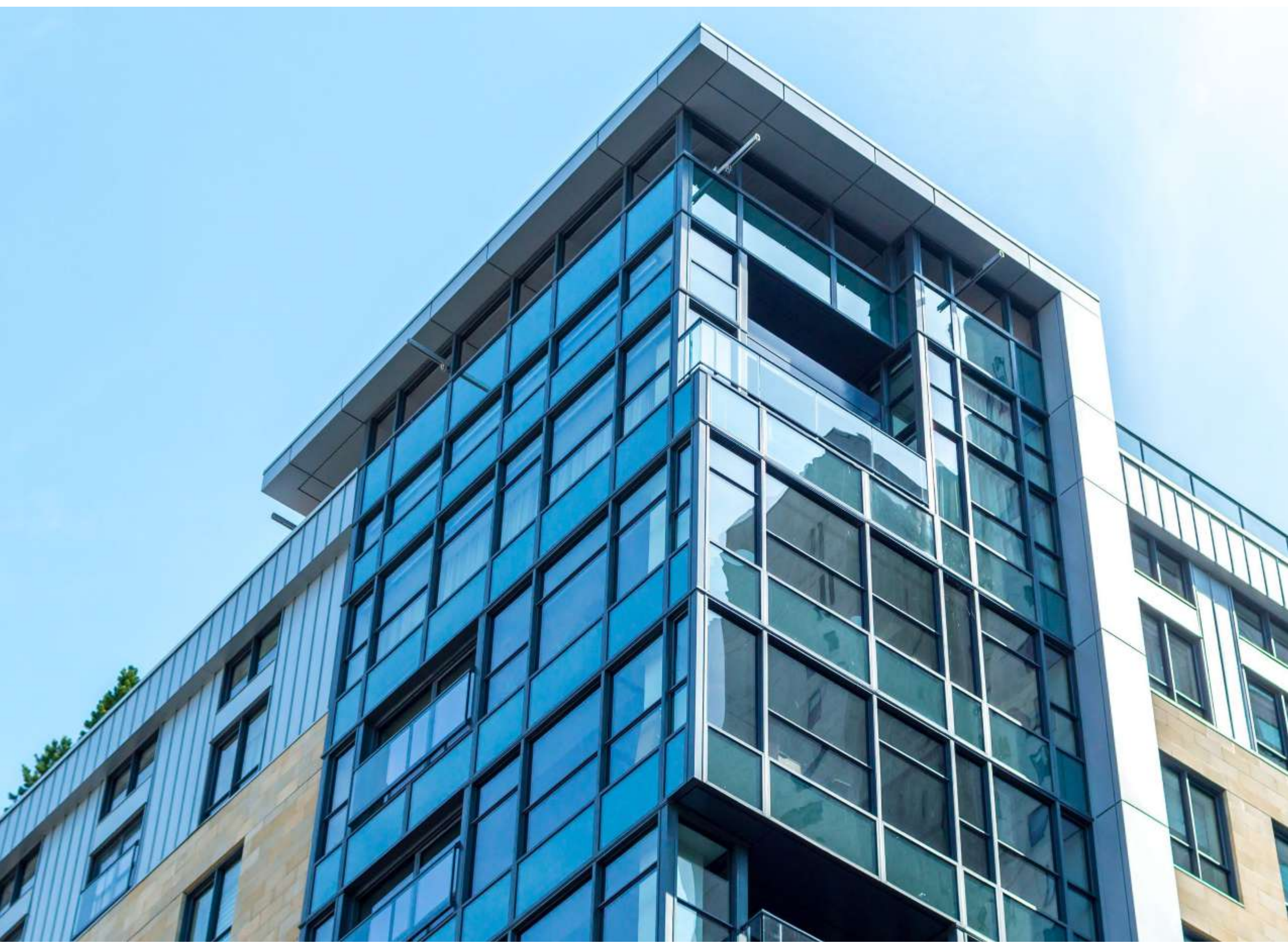
The CMRAO established a formal **Complaints about the CMRAO policy**, available on the CMRAO website, which applies to complaints about the CMRAO's services and the conduct of CMRAO staff, members of the Board of Directors, or members of the Discipline and Appeals Committees. Members of the public may submit their complaints in writing, either in English or French. The CMRAO aims to evaluate and address each submission within 15 business days.

In fiscal year 2023–24, the CMRAO registered six complaints in accordance with the policy. The nature of these complaints related to the resolution of complaints cases and associated timelines.

Auditor General of Ontario Value-for-Money Audit: Condominium Oversight in Ontario

In December 2020, the Office of the Auditor General of Ontario (Auditor General) published the results of a year-long audit of the CMRAO's operations, policies, and procedures related to licensing and consumer protection in a report titled **Value-for-Money Audit: Condominium Oversight in Ontario**, available from the **Office of the Auditor General website**.

The CMRAO has now fully implemented all the recommendations. The **implementation plan** outlining the actions taken is available on the CMRAO website.



Corporate Governance

The CMRAO is governed by an independent Board of Directors, comprised of four elected directors and three directors appointed by the Ministry.

The Board of Directors is responsible for providing strategic direction and oversight of the performance and affairs of the CMRAO, and ensuring that the organization meets its obligations under the:

- ***Safety and Consumer Statutes Administration Act, 1996*** (SCSAA)
- ***Condominium Management Services Act, 2015*** (CMSA)
- ***Ontario Not-for-Profit Corporations Act, 2010*** (ONCA)
- **CMRAO By-law**
- **Administrative Agreement**

Director Qualifications

The current Directors possess a collective mix of experience and skills in areas including condominium management, law, corporate governance, strategic planning, financial oversight and planning, communications, regulatory oversight, risk management, customer service, and public policy.

In selecting new members, the CMRAO gives special consideration to identifying and filling the skills gaps on the Board with the aim of ensuring the above skills and experience are maintained across the full Board.

Election and Appointment Process

The Governance Committee is responsible for evaluating and recommending candidates for elected director vacancies based on an established Competency Criteria. Candidates are recommended by the Board and are elected at the annual meeting of members.

The Public Appointments Secretariat facilitates any vacancies for appointed directors. The Minister may appoint a minority number of directors to the CMRAO's Board of Directors.

Code of Conduct

The Board adopted a Code of Conduct that is posted on the CMRAO website. All elected and appointed directors are required to acknowledge and abide by this **Code of Conduct**.

Board of Directors

Aubrey LeBlanc, Chair | Elected

Elected 2023–2026

Aubrey LeBlanc has extensive executive experience serving on boards for associations in the building industry. Aubrey is currently the Country Director for Canada at Cloudpermit, a community development software company. He is the former Chief Administrative Officer of the Ontario Building Officials Association and is the former Chief Executive Officer and Registrar of Tarion. He is the Past Chair of the Bereavement Authority of Ontario and the Past Chair of the Canadian Mirror Committee for ISO COPOLCO of the Standards Council of Canada. He was part of the expert panel for the Condominium Act Review and was a member of the CMRAO Advisory Working Group.

John Oakes, Secretary | Elected

Elected 2022–2025

John Oakes was the President & CEO of Brookfield Condominium Services Ltd. (now Crossbridge Condominium Services Ltd.) for over twenty years and subsequently Chairman of Crossbridge for 7 years until he retired in 2023. During his career, he served as Director on the Boards of the Association of Condominium Managers of Ontario (ACMO) and the Canadian Condominium Institute (CCI). In 2015, he was asked to be a member of the multi-stakeholder advisory group that led to the formation of the CMRAO. He also serves as President of the condominium where he lives and as President of The Muskokan Resort Club Inc., an interval ownership resort on Lake Joseph. John is also a Director on the Board of ParaSport Ontario, an umbrella organization that promotes competitive and recreational activities for individuals with disabilities.

Gail Beggs, Director | Elected

Elected 2021–2024

Gail Beggs has extensive experience as an executive in government, including as Deputy Minister of three ministries in the Ontario Public Service. Gail also led the Board of an international agency dealing with the Great Lakes and headed up an Ontario Crown corporation, serving as Chair of the Board and separately as Chief Executive Officer. Gail served for ten years on the board of the Ontario Lottery and Gaming Corporation, including as Acting Chair, and Vice Chair of the Board and as Chair of the Governance and Corporate Social Responsibility Committee and Chair of the People, Culture and Compensation Committee. Gail also volunteered on the Boards of Forests Ontario and DeafBlind Services Ontario. Currently Gail volunteers on the Finance and Property Committee of the Trent University Board of Governors. Gail chaired the multi-stakeholder Advisory Group that led to the formation of the CMRAO.

Kerry Carmichael, Director | Ministerial Appointment

Appointed 2022–2025

Kerry Carmichael's career spans over thirty years in the real estate and retail automotive industries. She recently served as Executive Director of the Retailer Communication Team with BMW Canada, where she managed the relationships between forty-two BMW Canada retailers and the manufacturer. Between 1996 and 2010, she was Vice-President of Organizational Development and IT for City Buick Chevrolet Cadillac GMC. Ms. Carmichael's community involvement has included twenty years on not-for-profit Boards of Directors, including ten years on the Board of the Crossroads Christian Communication corporation where she has been the Chair for the last three years.

Elizabeth Gibbons, Director | Elected

Elected 2022–2025

Elizabeth Gibbons has two decades of experience in public relations (PR), executive communications, and media and stakeholder relations. As a full-time professor at Algonquin College in Ottawa, she teaches and advises the next generation of PR professionals. Previously, Elizabeth was a director at TELUS International, leading the communications of corporate philanthropy, diversity, inclusion, and equity and other ESG programs for more than 73,000 team members across North America, Central America, Europe, and Asia. Elizabeth has previously held roles as Head of Media and Public Affairs for the British High Commission and Director of Communications for the Minister of Agriculture.

Paul Kyte, Director | Ministerial Appointment

Appointed 2022–December 31, 2023

Paul Kyte was licensed with the Law Society of Ontario as a legal services provider (Paralegal) providing legal services from 1996 until retiring his practice in 2022. Previously he served as a Provincial Offences Prosecutor with the Ontario College of Trades and interim Prosecutor for the County of Hastings. He was a City Councillor for the City of Quinte West (2003–2014) and sat on and chaired several committees during his time there. Currently he is a property administrator managing several privately owned residential, commercial, and development properties across Ontario. He is also appointed as a Member of the Ontario Parole Board.

Beth Pearson, Director | Ministerial Appointment

Appointed 2022–2025

Beth Pearson's career in the insurance industry spans over thirty years. Most recently she was the Owner and Partner of AP Insurance Brokers. Prior to this, she was a Partner with Pearson Dunn Insurance Brokers. She is a Past President of the Registered Insurance Brokers of Ontario and a Past President of the Insurance Brokers Association of Ontario. Her community involvement includes the Rotary Club of Ancaster AM (Secretary), Ancaster Heritage Days Board (Secretary), and Marshall Memorial United Church (Trustee Chair).

Committees

Standing Committees of the Board

Audit and Risk Management Committee

The CMRAO's Audit and Risk Management (ARM) Committee was established in 2019, pursuant to Section 4.9 of the CMRAO By-law.

The ARM Committee's mandate is to assist the Board in fulfilling its oversight responsibilities with respect to the organization's standards of integrity and behaviour, reporting on the results of the annual audit, risk management oversight, integrity of financial procedures, and management control practices/processes, focusing primarily on financial and enterprise risk.

Committee Members:

John Oakes, Director **(Chair)**

Gail Beggs, Director

Kerry Carmichael, Director

Governance Committee

The CMRAO's Governance Committee was established in 2019, pursuant to Section 4.10 of the CMRAO By-law.

The Governance Committee acts in an advisory capacity to the Board, fulfilling its responsibilities with respect to corporate governance, including making recommendations on governance best practices. The role of the Committee is to oversee CMRAO policies, procedures, and by-laws to ensure that the Board is performing its responsibilities effectively, ethically, and with due diligence, and that the organization has an appropriate approach to corporate governance. Responsibilities also include the development of a transparent and objective process to nominate Directors for elected Board member vacancies and making recommendations for re-election of existing Directors.

Committee Members:

Gail Beggs, Director **(Chair)**

Kerry Carmichael, Director

Beth Pearson, Director

Other CMRAO Committees

Advisory Committee

The CMRAO's Advisory Committee was created pursuant to Section 7.2 (4) of the Administrative Agreement that requires the Board of Directors to establish an advisory process for direct input to the Board on issues of importance to consumers and licensees. The Advisory Committee consists of 20 members, 50% of whom are licensed condominium managers, and others representing the broader condominium community.

In 2023, the CMRAO replaced 20% of the membership to implement staggered terms and refresh the membership on an ongoing basis. Members may be reappointed annually at the discretion of the Board to serve for a maximum of five years. This process respects the current composition of the membership, representing different segments of the condominium community.

Members of the Advisory Committee are appointed by the CMRAO Board of Directors.

Activities of the Advisory Committee

In April 2023, the Advisory Committee provided feedback on the Proactive Inspections Program, webinar outline for managing emergency situations in condominiums, and new resource material about the CMRAO.

In May and August 2023, Advisory Committee working groups reviewed and provided feedback to finalize the inspection process and checklist guides for proactive inspections in the areas of records management and supervising Limited Licensees.

In September 2023, the third annual meeting of the Advisory Committee and the Board of Directors was held for committee members to provide input and for the Board to seek feedback.

The Advisory Committee also provided input in the development of new resources for condominium managers on Records Management and Turnover Processes, Financial Management Processes, Conducting Meetings, and Managing Contractors and Staff. The resources will establish best practices, provide licensees with tools and resources in key areas of condominium management, and will support current and future inspection initiatives.

Advisory Committee Chair

Chris Jaglowitz

Advisory Committee Members

Helen Ash
Juliet Atha
Marilyn Bird*
Anne Burgoon
Kathryn Cairns
David Crawford
Debbie Dale
Josee Deslongchamps
Christine Dingemans
Carla Guthrie
Tania Haluk
Ashlee Henry
Raj Malik
Craig McMillan
Cara Moroney
Jim O'Neill
Mohammad Pathan
Kristi Sargeant-Kerr
Michael Steele
Mark Steinman*
Kathleen Stephenson

* Membership ended June 4, 2023

Discipline Committee and Appeals Committee

The CMRAO Discipline and Appeals Committees hear and determine if a licensee has failed to comply with the Code of Ethics pursuant to section 58 of the CMSA.

Members on these committees serve for a period of two years and receive training from the CMRAO's independent legal counsel on the statutory framework, jurisdiction, and rules of the committees.

Discipline Committee Chair

Daniela Corapi

Appeals Committee Chair

Bernard Cowan

Discipline Committee and Appeals Committee Members

Nadia Freeman
Dan Fried
Frank Gallo
Aviva Harari
Shane Haskell
Allyson Ingham
Andrea Korth
Daniel Mousavi
Bob St. George
Bradley Wells
Joanna Yu

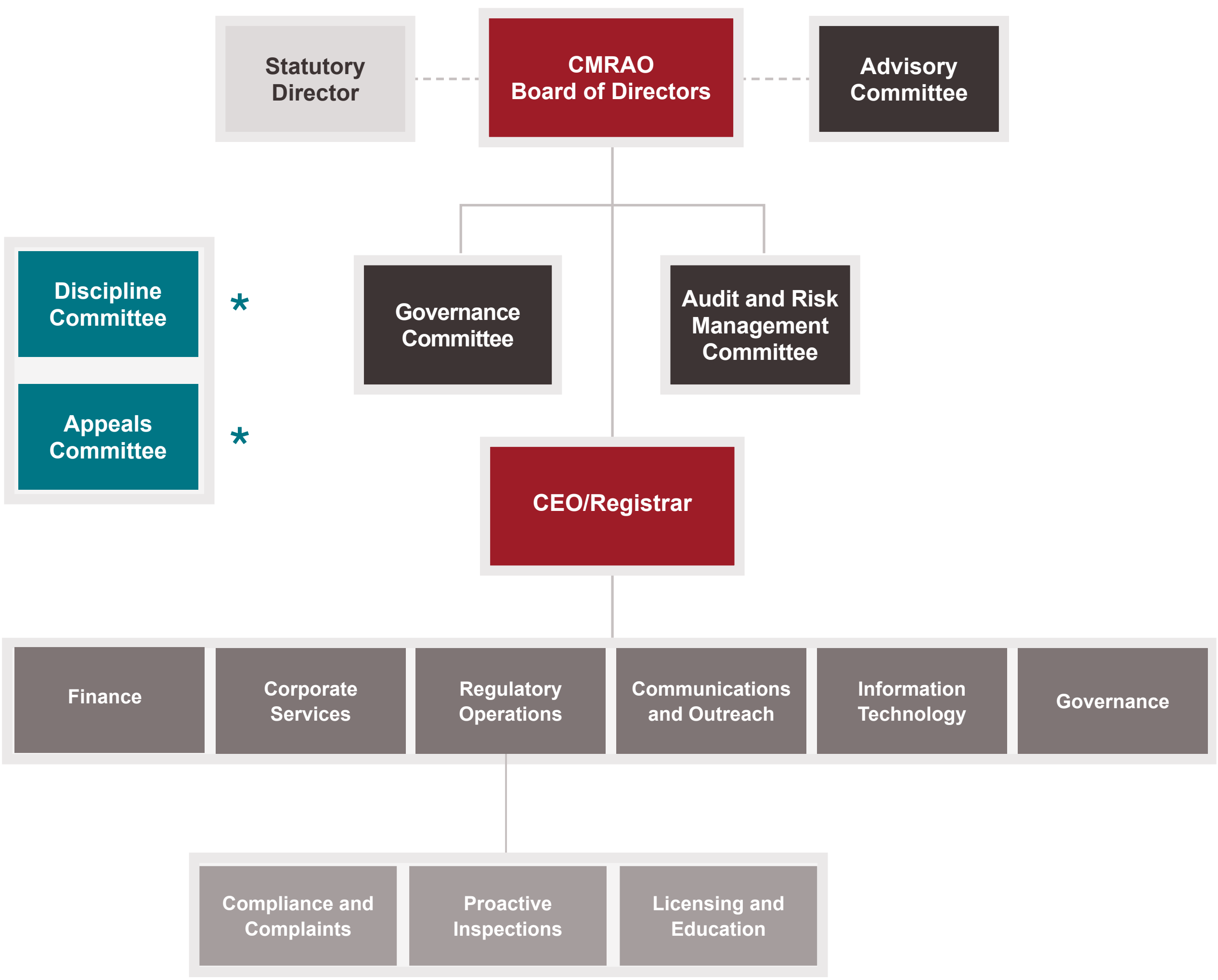
Corporate Structure

To achieve its consumer protection mandate, the CMRAO operates with a lean, committed, and diverse team of staff, including licensing and compliance officers; information technology specialists; as well as communications, administration, and education staff.

The Senior Management Team of the CMRAO is focused on ensuring that appropriate resources are available to deliver the full suite of services that now include continuing education and a proactive inspections program.

This year, the CMRAO focused on strengthening its cybersecurity and data protection practices following an assessment of our data security processes and organizational privacy maturity. The assessment report contained recommendations to improve security practices and meet privacy-related legal requirements. The conclusion of the report was that the CMRAO has established a solid foundation by investing in the right security technologies to protect its cloud-based assets and has demonstrated a commitment to safeguarding sensitive information.

The CMRAO implemented all critical recommendations of the report and has been providing cybersecurity awareness training to all staff.



* The Discipline Committee and the Appeals Committee are independent adjudicative bodies and are responsible for hearing and determining, in accordance with the prescribed procedures, if a licensee has failed to comply with the Code of Ethics. The members of these committees are appointed by the Board of Directors.

Licensing

All individuals and businesses providing condominium management services in Ontario are required to hold a licence. The CMRAO issues three types of licences, each with specific application requirements and conditions.

General Licence

- Have met the standards to work as a condominium manager without any restrictions or supervision.
- Have provided condominium management services for at least two years and successfully completed the necessary education requirements.

Limited Licence

- Have generally provided condominium management services for less than two years and must work under the supervision of a General Licensee.

Condominium Management Provider Licence

- Can be any business (corporation, partnership, sole proprietorship) that provides condominium management services.

Active Licences

(as of March 31, 2024)

General Licence

2,649

Transitional General Licence

4*

Limited Licence

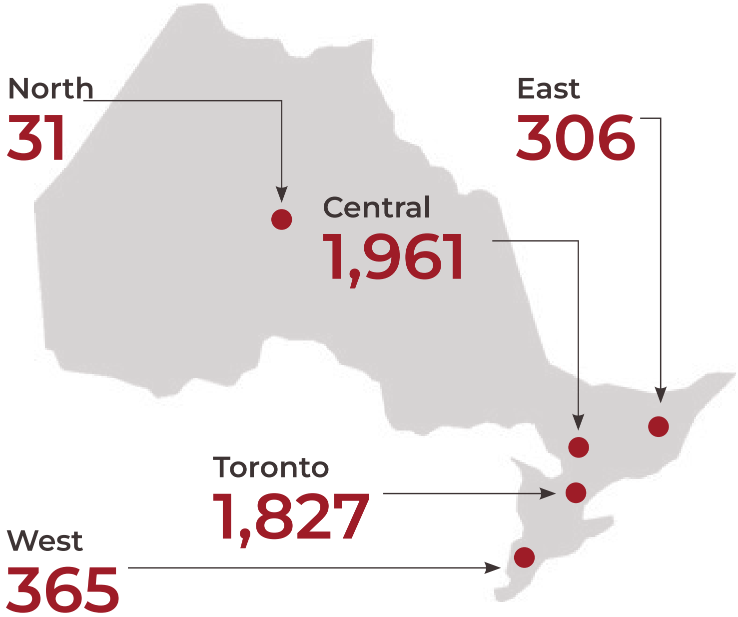
1,837

Condominium Management Provider Licence

401

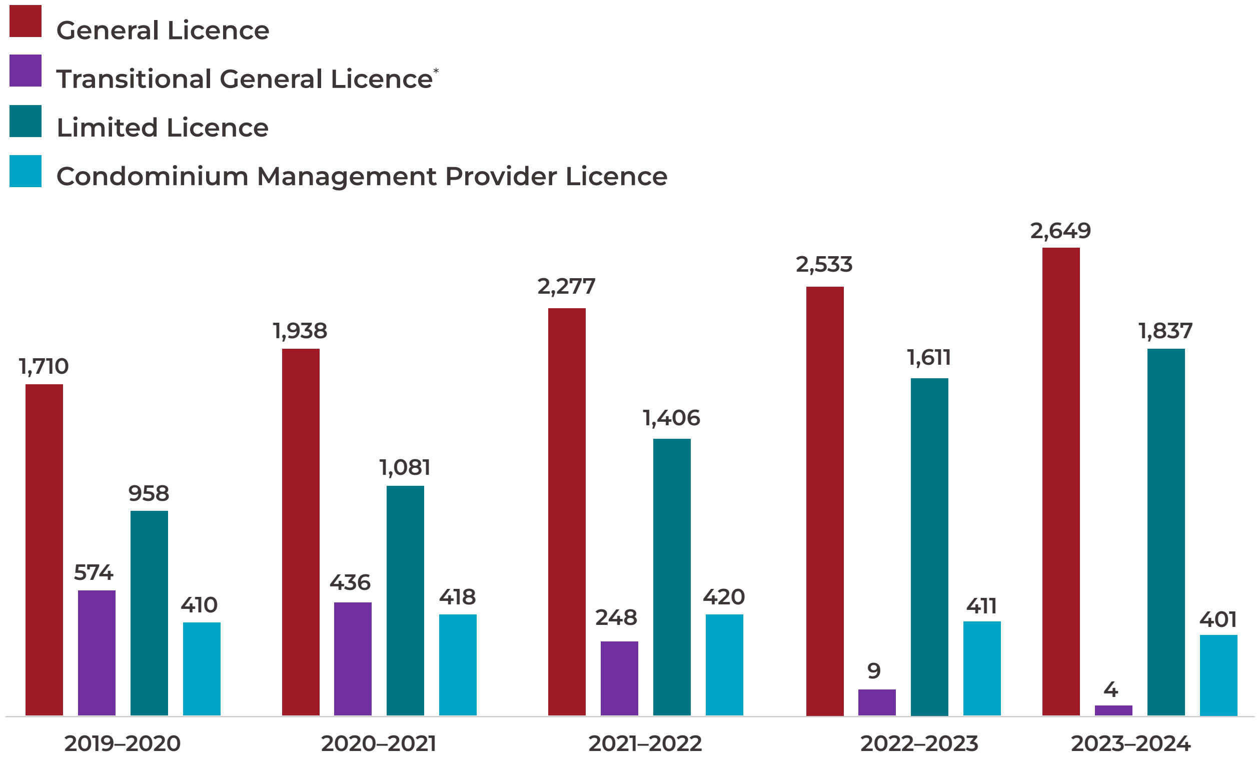
Regional Distribution of Licensed Managers

(as of March 31, 2024)



Active Licensees: Year-Over-Year Comparison

(as at March 31)

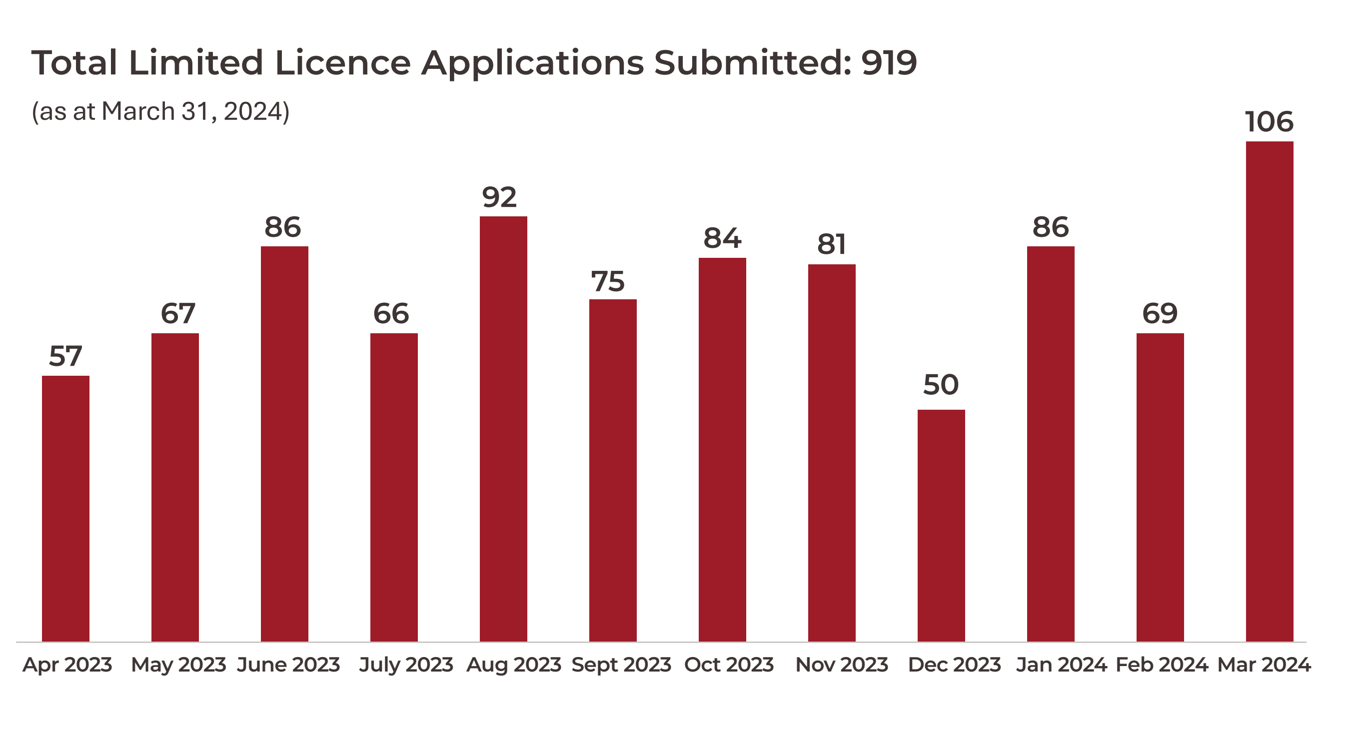


* Transitional General Licences were a time-limited class of licence for condominium managers originally introduced in 2017 and phased out starting in 2022.

Monitoring Growth of the Sector

As a modern regulator, the CMRAO relies on data to inform its decision-making and monitor trends. Over the last year, there has been consistent growth in the number of new entrants applying for licences. This year, the CMRAO received 919 new Limited Licence applications.

Compared to last fiscal year the total number of active licensees has increased by 7.2% from 4,564 to 4,891.



Education

Part of successful regulation in the public interest involves ensuring that licensees meet a defined standard of education.

Between April 1, 2023, and March 31, 2024, the CMRAO successfully conducted 28 sessions of the introductory course, **Excellence in Condominium Management**, a mandatory requirement for Limited Licence applicants. By March 31, 2024, over 800 learners successfully completed the course and passed the regulatory exam, making them eligible for a Limited Licence.

To qualify for a General Licence, candidates must successfully complete all five courses in the CMRAO's education program:

This year, there were over 1,200 enrollments in the above courses and over 800 regulatory exams were completed. Students who take these courses are eligible to apply for financial assistance through the Ontario Student Assistance Program.

Effective July 1, 2023, the CMRAO's mandatory **Continuing Professional Education (CPE)** program became a requirement for the renewal of General Licences. The program supports the CMRAO's mandate to strengthen the condominium management profession, ensuring condominium managers are up to date with the latest changes to technology, operational standards, and regulatory requirements. Managers who hold a General Licence must accumulate a total of 10 CPE credits per licensing year in the following categories:

- Communication and Interpersonal Skills
- Physical Building
- Building Operations and Information
- Legal and Ethics
- Finance

CMRAO
CONTINUING
PROFESSIONAL
EDUCATION

Regulatory Oversight:
Complaints, Registrar's Actions, Compliance, and Discipline Committee Decisions

CMRAO licensees are required to follow a number of rules as outlined in the CMSA and under the Code of Ethics regulation. The Code of Ethics sets out the ethical obligations of condominium managers and condominium management provider businesses. The Code of Ethics establishes a standard of good practice; governs the way condominium managers behave; and promotes professionalism, reliability, and quality of service.

Complaints

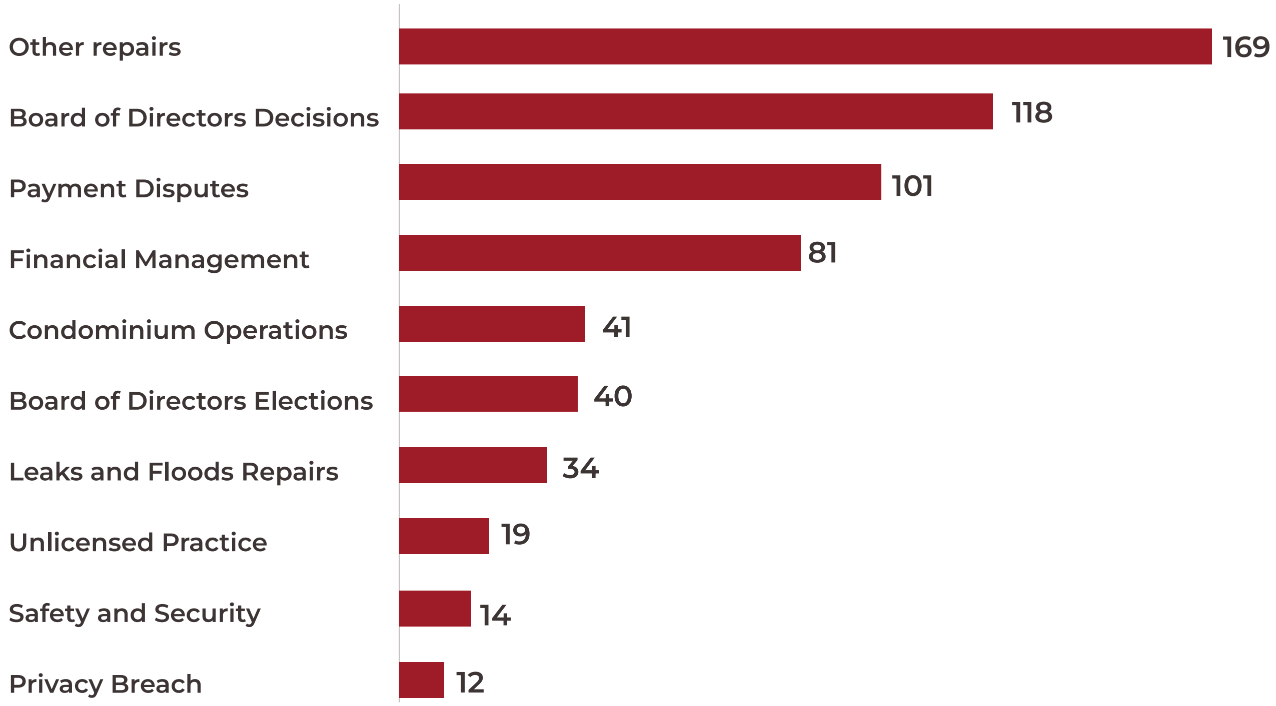
The CMRAO handles complaints against condominium managers and condominium management provider businesses pursuant to the CMSA and its regulations, including a Code of Ethics regulation.

The complaints process administered by the CMRAO is built on the premise of fairness and transparency, and consists of three stages:

The CMRAO does not have jurisdiction over the decisions or conduct of the condominium corporation, other people, or businesses (such as the board of directors, administrators, security guards, or others) unless they are providing condominium management services illegally without a licence or otherwise violating the CMSA.

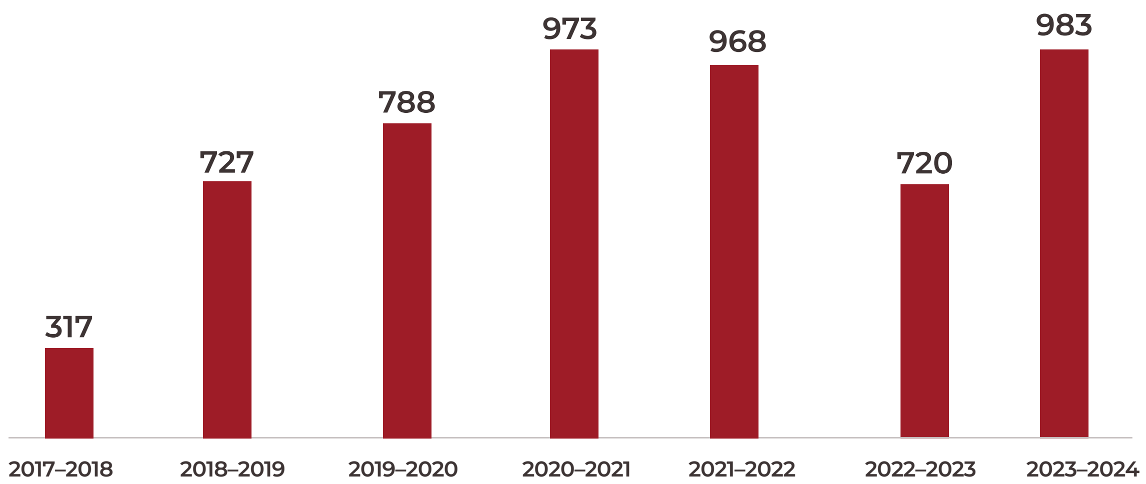
The CMRAO's complaints process provides an impartial assessment of concerns regarding condominium management services. The CMRAO accepts complaints through its **online complaints portal**.

In fiscal year 2023–24, the CMRAO received a total of 983 complaints, an increase of 36.5% compared to the previous year. The top ten categories[1] of complaints related to condominium management actions were in the following areas:



[1] In addition, 354 complaints were collectively tracked under the category of Other Complaints and relate to issues of communications, responsiveness, unprofessional conduct such as rudeness, parking, noise and pets, and miscellaneous nuisances .

Complaints Filed: Year-over-Year Comparison



Registrar's Actions

Pursuant to section 57 of the CMSA, in handling complaints, the Registrar may take the following Registrar's Actions, as appropriate:

- Attempt to mediate or resolve the complaint.
- Give the licensee a written warning that if the licensee continues with the activity that led to the complaint, action may be taken against the licensee.
- Require the Principal Condominium Manager of the licensee to take further educational courses if the licensee is a condominium management provider business.
- Require the licensee to take further educational courses if the licensee is a condominium manager.
- Refer the matter, in whole or in part, to the Discipline Committee.
- Suspend or revoke a licence, or refuse to renew a licence, or place conditions on a licence, subject to the licensee's right to a hearing before the Licence Appeal Tribunal (LAT).
- Take further action as is appropriate in accordance with the CMSA.

Registrar's Actions: 122

Registrar's Actions Appealed to LAT: 1

Licensees have a duty to comply with actions imposed by the **Registrar, Licence Appeal Tribunal (LAT)**, Discipline Committee panel, or panel of the Appeals Committee. Failure to do so can result in further action being imposed, such as refusal to renew a licence, suspension, or revocation of a licence.

Registrar's Actions At-a-Glance

(as at March 31, 2023)

Proposals to Revoke a Licence: 3

Immediate Suspension Orders: 3

Registrar's Warning Letters Issued: 24

Reminders issued to licensees about obligations under the CMSA: 92

All Registrar's actions are published on the CMRAO website where they are linked to applicable licensees in the **Public Registry**, as well as listed in the **Licensing Actions section**.

Compliance

Inspections are carried out to ensure compliance with the legislation, to deal with complaints, or to ensure that a licensee or applicant is entitled to a licence.

The CMRAO currently performs inspections based on complaints it has received, and has conducted inspections on areas, such as fraud and financial mismanagement, failure to turn over condominium records, unlicensed practice, failure to provide services in accordance with the licensee's contract, and other areas of professional misconduct.

In 2023–24, the CMRAO initiated nine inspections, which were carried out when allegations or information regarding serious misconduct were brought to the attention of the Registrar.

Additionally, informed by consultations with the Advisory Committee, the CMRAO developed and implemented a proactive inspections program to broaden the organization's compliance activities.

This fiscal year, the CMRAO conducted 34 inspections of licensed condominium management provider businesses ranging in size from different areas of the province. These proactive inspections focused on two key areas:

1. Records management practices, including records turnover processes
2. Supervising Limited Licensees and ensuring staff are properly licensed

Number of Inspections (complaint-driven): 9

Number of Proactive Inspections: 34

Discipline Committee Decisions

This fiscal year three licensees were referred to the Discipline Committee in December 2023 and February 2024.

Decisions made by a panel of the Discipline Committee can be appealed to the Appeals Committee. To date, none of the decisions of the Discipline Committee have been appealed.

Cases referred to Discipline Committee: 3

Discipline Decisions: 1

All **decisions issued by the Discipline Committee** are published on the CMRAO website.

Investigations and Prosecutions

Investigations conducted under the purview of the CMRAO's Statutory Director are carried out when there is information to indicate that an individual or company may have committed an offence under the CMSA. This year, the CMRAO initiated two investigations in relation to allegations of unlicensed practice.

These investigations are subject to legal requirements and differ from the everyday use of the term "investigate," which refers to the process of gathering information using less formal methods.

Statutory Director's Actions At-a-Glance

(as at March 31, 2024)

Number of Investigations:	2
Individuals and business charged with Provincial Offences:	4*
Individuals and business convicted of Provincial Offences:	1

* Charges include providing condominium management services without a licence and counselling contraventions of the CMSA.

Stakeholder Engagement

The CMRAO's stakeholders are individuals or groups who are impacted, involved, or have an interest in the activities of the CMRAO, specifically condominium managers, management provider businesses, Boards of Directors, and owners/residents. This year, the CMRAO engaged with its stakeholders through a variety of channels, including social media platforms (LinkedIn, Facebook, X (formerly known as Twitter), and Instagram), its website, blog posts, live webinars, and e-newsletters. This year, 29 e-newsletters were sent to stakeholders.

This fiscal year, the CMRAO took advantage of opportunities to participate in events as an exhibitor, including the 2023 Condo Conference, hosted by the Association of Condominium Managers of Ontario (ACMO) and the Canadian Condominium Institute (CCI), as well as the Condo Living Expo and the REMI Show. To promote the viability of condominium management as a career, the CMRAO was also an exhibitor at the Toronto Career Fair.

Measuring the Impact of Our Outreach

541,258 ▲
Pageviews of the CMRAO Website

94,994 ▲
Unique Visitors to the CMRAO Website

36 ▲
Videos Produced

5,470 ▼
Video Views

3,073 ▲
Social Media Interactions

11,339 ▼
PDF Downloads

11 ▲
Blogs Published

9,343 ▼
Blog Views

In an effort to offer affordable learning opportunities eligible for CPE credits, the CMRAO hosted two free webinar events featuring subject matter experts, which garnered a total attendance of over 1,100 people.

Satisfaction Survey Results

As outlined in section 8(6) of the Administrative Agreement, the CMRAO is required to conduct a client satisfaction survey of all or a sampling of its clients, stakeholders, and licensees at least once every two years. Although surveying the condominium management sector is a requirement, it is also a good practice and helps the CMRAO determine levels of satisfaction, and it is an important aspect of the CMRAO's role as a modern regulator. Understanding the experiences of our key stakeholders can help us refine and enhance our services and inform our decision making. It also fosters engagement, encourages interaction, and helps us gauge sentiment on the CMRAO's ability to achieve its mandate.

This fiscal year, the CMRAO conducted two surveys between February 2 and March 15, 2024. The survey completed by licensed condominium managers (Licensee Survey) was distributed via email to CMRAO licensees. The second survey for stakeholders (Stakeholder Survey) was completed by condominium owners/residents, condominium directors, and condominium lawyers, and was distributed through chapters of CCI, via email to subscribers of the CMRAO's stakeholder newsletter CMRAO Quarterly, and by provider businesses that were asked to share the link to the survey with their client corporations.

Key Findings:

Licensee Survey

Survey results indicated that licensees felt the service they received was courteous, and they were highly satisfied with the level of service from phone or email inquiries. Results also showed that respondents felt that the information they received from the CMRAO was accurate and reliable.

Overall, respondents used the organization's website to access information and resources, and they trusted the information they received from the CMRAO.

Service

Survey respondents reported overall satisfaction with the tools, resources, and updates, including information about licensing processes, and the customer service provided by the CMRAO. Overall, results showed that respondents believed the CMRAO promoted professional standards, ethics, and best practices, and believed the CMRAO was meeting its mandate.

“I am satisfied with the level of service I received from phone or email inquiries.”

Strongly Agree	31%
Agree	55%
Disagree	8%
Strongly Disagree	6%

“I believe the CMRAO is meeting its mandate.”

Strongly Agree	32%
Agree	48%
Disagree	14%
Strongly Disagree	6%

“I trust the information I receive from the CMRAO.”

Strongly Agree	42%
Agree	51%
Disagree	6%
Strongly Disagree	1%

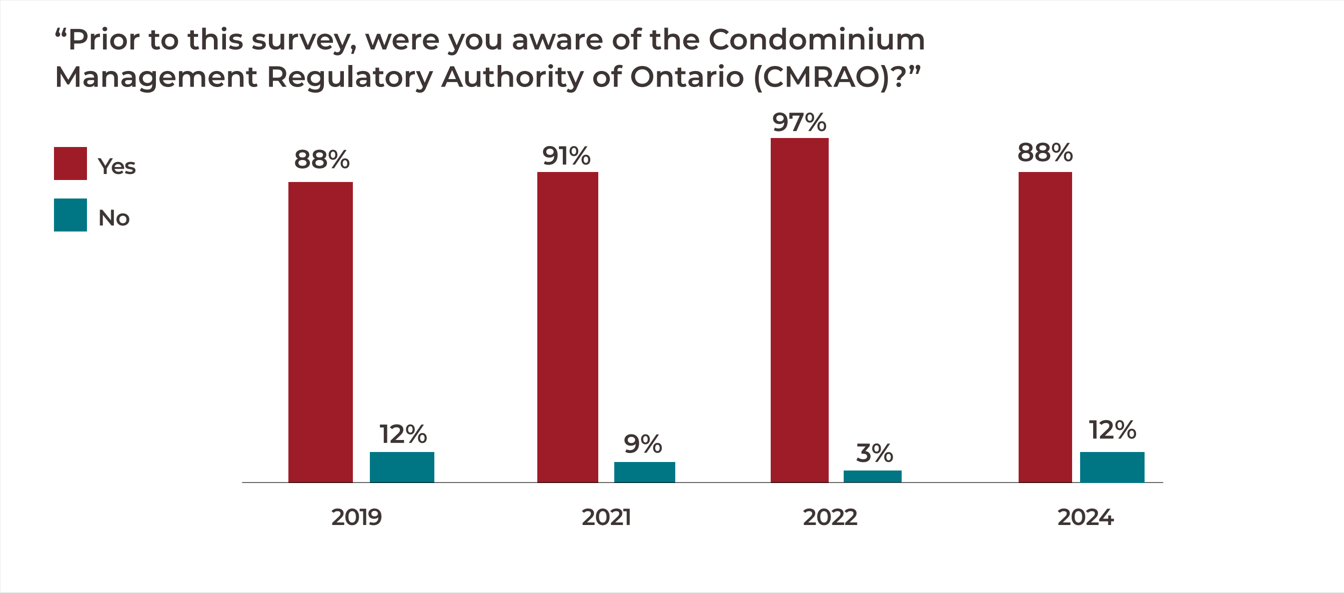
Key Findings:

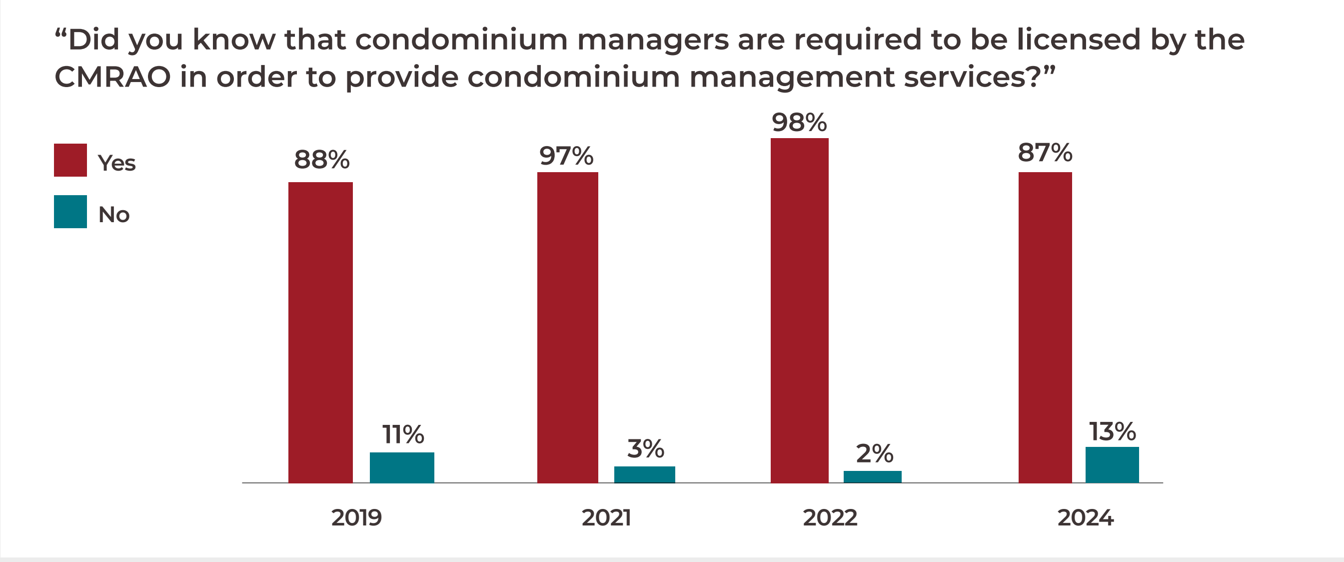
Stakeholder Survey

Overall, stakeholders indicated that they have a strong general awareness of the CMRAO (88%), know that condominium managers have to be licensed to provide condominium management services in Ontario (87%), and understand that complaints against a licensee can be filed with the CMRAO (85%).

Awareness: Year-Over-Year Comparison

While stakeholders' responses indicated a high awareness of the CMRAO and the mandatory licensing for condominium managers with the CMRAO, there was a slight decrease in this survey's results compared to those in previous years.





The full **satisfaction survey report** is available on the CMRAO website.

Performance Measures

The CMRAO set strategic priorities, objectives, and performance measures in its Business Plan 2022–2023, which are reported in the current Annual Report. Setting such targets enables the CMRAO to maintain transparency and accountability to the public and its stakeholders in all its business practices. The performance measures are based on the strategic priorities of the organization and are selected to be challenging but also achievable.

Performance Measure	Target	Result
Implementation of the plan to carry out **proactive inspections** of condominium managers and management provider businesses	Conduct 30 proactive inspections by **March 31, 2024**	**34 proactive inspections completed**
Implementation of a **Continuing Professional Education Program** for new and existing General Licence holders	Successful implementation of the program by **July 1, 2023**	**Program successfully implemented**
Percentage of **licensees reporting satisfaction** with service levels	**80%**	**86%** Down from 96% in 2022–23
Consumer satisfaction rating for the CMRAO's complaints handling process	**80%**	**75%*** Down from 76% in 2022-23**
Percentage of **complete applications for a licence processed** within service standards		
• **General Licence** within 10 business days	**95%**	**96%** Down from 98% in 2022–23
• **Limited Licence** within 5 business days	**95%**	**99%** Consistent with results in 2022-23
• **Management Provider Licence** within 30 business days	**95%**	**100%** Consistent with results in 2022-23
Percentage of **complaints assessed:**		
• Assessed within published service level standards (**60 days**)	**80%**	**82%** Up from 81% in 2022–23
• Initial response (within **5 business days**)	**95%**	**99%** Up from 96% in 2022–23

* Based on 103 responses to the survey sent to complainants.
** This figure is impacted by the nature of the decisions that the CMRAO issues in relation to complaints received.

CMRAO
Condominium Management
Regulatory Authority of Ontario

FINANCIAL REPORT

Management Discussion and Analysis

The following management discussion and analysis provides supplementary information for stakeholders and other readers of the Condominium Management Regulatory Authority of Ontario (CMRAO) financial statements for the year ended March 31, 2024. The analysis should be read in conjunction with the audited financial statements for the year ended March 31, 2024, prepared in accordance with the Canadian accounting standards for not-for-profit organizations.

Revenues

Operating receipts are derived primarily from licensing fees required under the *Condominium Management Services Act, 2015*, which are amortised to income over a one-year licensing period.

The licensing fee is collected from four types of licences:

- General Licence (individuals)
- Transitional General Licence (individuals)
- Limited Licence (individuals)
- Condominium Management Provider Licence (businesses)

Effective November 1, 2021, the Registrar assumed the responsibility for designating education requirements for condominium manager licence applicants. The new education program was implemented accordingly. The CMRAO charges education fees for the provision of regulating courses for the licensees. The CMRAO runs the education program on a breakeven basis, i.e., the revenue from education covers the incremental cost of regulating courses for licensees. The major portion of education-related revenue comes from regulating the Excellence in Condominium Management course, for which it charges $150.

In addition, a one-time application fee is charged on new licence applications. Other income includes interest earned, which is recognized as it is earned.

The CMRAO collected $3,496,695 in licence fee revenue in fiscal year 2023–24, which is an increase of 8.93 per cent from $3,210,088 in fiscal year 2022–23. This change is mainly due to an increase in the number of licensees, compared to the previous fiscal year. The application fee revenue collected in fiscal year 2023–24 was $179,550, which is a 3.62 per cent increase from $173,277 in fiscal year 2022–23, which was due to a rise in the number of applications for a Limited Licence.

Furthermore, the education fee revenue amounted to $156,070, which is a 33.7 per cent increase from the education fee revenue of $116,730 in fiscal year 2022–23. This change can be attributed to a significantly higher number of new limited licence applications.

Other income consists of interest revenue. In addition to the operational revenue, the CMRAO had $240,064 in interest revenue in fiscal year 2023–24, which is a material increase of 65.13 per cent from the interest revenue of $145,379 in fiscal year 2022–23. The increase in the interest revenue is due to the higher initial investment in GICs in 2023–24 and a higher interest rate (rate of return) on the GIC investments.

The revenue details for fiscal years 2022–23 and 2023–24 are as follows:

Category	2023 24	2022 23
Licence fees	3,496,695	3,210,088
Application fees	179,550	173,277
Education fees	156,070	116,730
Other administration fees	18,600	14,550
Other income	240,064	145,379
Total revenue	**4,090,979**	**3,660,024**

Expenses

The total expenditure for fiscal year 2023–24 is $3,958,780, which is a 14.71 per cent increase, compared to the previous fiscal year's expenditure of $3,451,169.

The human resources expenditures for the fiscal year 2023–24 is $2,488,330, an increase of 17.35 per cent when compared to fiscal year 2022–23 human resources expenditures of $2,120,466. This increase is in line with the expansion of the licensee and consumer base, and the growth of CMRAO employees. The CMRAO optimizes its organizational structure to continue fulfilling the organization's mandate and help licensees fulfill their legal obligations under the CMSA.

The operational and general administrative costs for fiscal year 2023–24 was $1,470,450, an increase of 10.5 per cent compared to that of $1,330,703 in fiscal year 2022–23. This change is due to greater education expenses related to updates in the exam question bank and the Excellence in Condominium Management course education sessions, which correspond with the increase in the number of new Limited Licensees. Increased credit card processing fees (dependent on the higher revenue paid by credit card transactions) also contributed to the higher operational and general administrative costs.

The expense details for fiscal years 2022–23 and 2023–24 are as follows:

Category	2023–24	2022–23
Human resources	2,488,330	2,120,466
Operational and general administrative costs	1,470,450	1,330,703
Total Expenses	**3,958,780**	**3,451,169**

Net Assets

As a delegated administrative authority, the CMRAO's principal objective is to manage the net assets in a manner that meets its legal obligations and allows the organization to continue meeting its obligations outlined in the administrative agreement.

As at March 31, 2024, the CMRAO had $2,581,765 in net assets, which is an increase due to the excess of revenue over expenses of $132,199, compared to the balance of $2,449,566 on March 31, 2023.

The excess of revenue over expenses is mainly due to a significantly higher number of Limited Licensees, an interest income of $240,064, and underspending in comparison to the budget in Discipline & Enforcement and Board of Directors expenditures.

The net assets of $2,581,765 includes $65,923 related to an investment in intangible assets in fiscal year 2023–24. This investment supports the digital service delivery model developed by the CMRAO to ensure access for licensees across the province. This is in line with the CMRAO's commitment to providing an innovative digital service in every aspect of service delivery, including the online public registry, licensing, complaints, and compliance.

The CMRAO has an established restricted net asset (Reserve Fund) to build and maintain an adequate level of funds to ensure the stability of the organization and the ongoing sustainability of its operations in the event of unforeseen contingencies. This year, $80,000 was transferred from unrestricted net assets to restricted net assets, increasing the total restricted net assets to $1,725,000 as compared to $1,645,000 in fiscal year 2022–23.

Furthermore, the excess of income over expenses resulted in an increase in unrestricted net assets to $790,842, compared to the previous year's unrestricted net assets of $672,719.

Independent Auditor's Report

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To the Members of

Condominium Management Regulatory Authority of Ontario

Opinion

We have audited the financial statements of Condominium Management Regulatory Authority of Ontario, which comprise the statement of financial position as at March 31, 2024, 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 Organization as at March 31, 2024, 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 Organization 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.

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 Organization's 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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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 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 Organization's 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 Organization's ability 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 Organization 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.

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

Markham, Canada
July 16, 2024

Condominium Management Regulatory Authority of Ontario
Statement of Operations

Year ended March 31		2024		2023
Revenues				
Revenues from licensees	$	**3,850,915**	$	3,514,645
Interest revenue		**240,064**		145,379
		4,090,979		3,660,024
Expenditures				
Human resources		**2,488,330**		2,120,466
Discipline and enforcement		**268,589**		261,914
Ministry oversight fee		**198,084**		198,084
Occupancy costs		**183,230**		186,812
Office and general		**166,863**		147,071
Information and communication		**142,349**		103,509
HST non-recoverable		**140,289**		125,681
Enterprise IT expense		**119,088**		99,345
Amortization		**65,924**		65,923
Education project		**64,633**		41,963
Board of Directors		**46,531**		47,479
Legal fees		**43,731**		36,283
Professional fees		**31,139**		16,639
		3,958,780		3,451,169
Excess of revenues over expenditures	$	**132,199**	$	208,855

See accompanying notes to the financial statements.

Condominium Management Regulatory Authority of Ontario

Statement of Financial Operations

March 31		**2024**		2023
Assets				
Current				
Cash	**$**	**2,190,026**	$	1,906,467
Short-term investment (Note 3)		**1,645,000**		1,620,000
Accounts receivable		**4,712**		199
Prepaid expenses and other current assets		**75,681**		53,361
Interest receivable		**73,091**		53,305
		3,988,510		3,633,332
Long-term				
Intangible assets		**65,923**		131,847
	$	**4,054,433**	$	3,765,179
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 4)	**$**	**568,346**	$	490,655
Deferred revenue (Note 5)		**904,322**		824,958
		1,472,668		1,315,613
Net assets				
Investment in intangible assets		**65,923**		131,847
Unrestricted net assets		**790,842**		672,719
Restricted net assets		**1,725,000**		1,645,000
		2,581,765		2,449,566
	$	**4,054,433**	$	3,765,179

Commitments (Note 9)

Approved by:

_______________ Director _______________ Director

See accompanying notes to the financial statements.

Condominium Management Regulatory Authority of Ontario

Statement of Changes in Net Assets

Year ended March 31

	Investment in intangible assets	Unrestricted net assets	Restricted net assets	**Total 2024**	Total 2023
Balance, beginning of year	$ 131,847	$ 672,719	$ 1,645,000	$ **$2,449,566**	$ 2,240,711
Excess of revenues over expenditures	-	132,199	-	**132,199**	208,855
Amortization of intangible assets	(65,924)	65,924	-	**-**	-
Transfer of unrestricted net assets	-	(80,000)	80,000	**-**	-
Balance, end of year	**$ 65,923**	**$ 790,842**	**$ 1,725,000**	**$ 2,581,765**	2,449,566

Condominium Management Regulatory Authority of Ontario

Statement of Cash Flows

Year ended March 31		2024		2023
Increase (decrease) in cash				
Operating				
Excess of revenues over expenditures	$	**132,199**	$	208,855
Item not affecting cash				
Amortization of intangible assets		**65,924**		65,923
		198,123		274,778
Change in non-cash working capital items				
Accounts receivable		**(4,513)**		(84)
Prepaid expenses and other current assets		**(22,320)**		21,819
Interest receivable		**(19,786)**		(50,717)
Accounts payable and accrued liabilities		**77,691**		45,600
Deferred revenue		**79,364**		31,409
		308,559		322,805
Investing				
Purchase of short-term investment		**(25,000)**		(1,620,000)
Increase (decrease) in cash		**283,559**		(1,297,195)
Cash				
Beginning of year		**1,906,467**		3,203,662
End of year	$	**2,190,026**	$	1,906,467

See accompanying notes to the financial statements.

1. Nature of operations

Condominium Management Regulatory Authority of Ontario (the "Organization") was incorporated under the *Business Corporations Act* of Ontario on July 8, 2016 and is assuming responsibility for the implementation of services to support its mandate under the Act. It is carried on without the purpose of gain for its members, and any profits or other accretions to the corporation shall be used in promoting its objects, and as such, is exempt from income tax.

In December 2015, the Ontario Legislative Assembly passed new legislation entitled the *Protecting Condominium Owners Act, 2015* ("PCOA"), which marked the first major overhaul of the province's condominium laws in over 16 years. The intent of the PCOA is to increase protections for condominium owners, improve how condominium corporations are run, ensure condominiums are governed professionally, and establish mandatory licensing and educational requirements for condominium managers.

The PCOA made changes to the existing *Condominium Act, 1998* (Condominium Act), and enacted the *Condominium Management Service Act, 2015* (CMSA) to operationalize these consumer protection goals, and two new administrative authorities were created. One of these two authorities is the Condominium Management Regulatory Authority of Ontario.

Upon designation by the Lieutenant Governor in Council in November 2017, the Organization started administering the CMSA, and started performing as the professional regulatory body for condominium managers and management providers, and is responsible for the implementation of a comprehensive licensing and regulatory scheme.

2. Basis of accounting and significant accounting policies

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess (deficiency) of revenues over expenses as appropriate in the year they become known.

Items subject to significant management estimates include accruals for liabilities and estimated useful life of intangible assets.

2. Basis of accounting and significant accounting policies (continued)

Revenue recognition

(i) Licence revenue

Fees charged for licensing from individual condominium managers and condominium management providers are either for a one-time registration fee at time of registration or an annual renewal fee. They are recognized evenly over the duration of the licence. Unearned fees are recorded as deferred revenue.

Other fees

Education fees, application fees and penalties/reinstatement fees are charged when related event occurs and revenue is recognized when received.

(ii) Interest revenue

Interest revenue is recognized on a time proportion basis.

Intangible assets

The intangible asset is stated at cost less accumulated amortization. Amortization is provided at rates intended to write-off assets over their estimated productive lives as follows:

Computer software	6 years Straight-line

The amortization method and the estimate of the useful life of a capital asset is reviewed annually. The Organization tests long lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The assets are tested for impairment by comparing the net carrying value to its fair value or replacement cost. If the assets fair value is determined to be less than its net carrying value, the resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

Financial instruments

Financial instruments in arm's length transactions

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- cash
- short-term investment
- accounts receivables
- accounts payable

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument.

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

2. Basis of accounting and significant accounting policies(continued)

Financial instruments (continued)

The Organization subsequently measures its financial assets and financial liabilities at amortized cost unless management has elected to carry the instruments at fair value.

The Organization has not elected to carry any such financial instruments at fair value.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess (deficiency) of revenues over expenses.

Financial instruments in related party transactions

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Organization does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in excess (deficiency) of revenues over expenses when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Organization initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Organization has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

3. Short-term investment

	2024	2023
RBC non-redeemable GIC, interest at 5.40% per annum and matures on August 29, 2024	$ **1,645,000**	$ 1,620,000

4. Accounts payable and accrued liabilities

As at March 31, 2024 there are government remittances payable outstanding of $6,797 (2023 - $5,589) included in the accounts payable and accrued liabilities balance. The Ministry oversight fee of $198,084 (2023 - $198,084) is also included in this balance.

5. Deferred revenue

Continuity of deferred revenue:

		2024		2023
Deferred revenue, beginning of year	$	**824,958**	$	793,549
Add: Fees from licensees received		**3,930,279**		3,546,054
Less: Fees from licensees earned (Note 8)		**(3,850,915)**		(3,514,645)
Deferred revenue, end of year	$	**904,322**	$	824,958

Deferred revenue consist of:

		2024		2023
Licence fee received in advance	$	**904,322**	$	824,958

6. Intangible assets

		2024		2023
Computer software	$	**549,148**	$	549,148
Accumulated amortization - computer software		**(483,225)**		(417,301)
	$	**65,923**	$	131,847

7. Capital management

The Organization’s objective in managing capital is to ensure that the entity continues as a going concern as well as to maintain efficient operations for members and other stakeholders.

Management adjusts the capital structure as necessary, in order to support the operational requirements of the business. Rather than establishing quantitative return on capital criteria, the Organization relies on the expertise of management to sustain future development of the business. The Organization defines capital to include its working capital position and the unrestricted net assets.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Organization, is appropriate.

8. Revenues from licensees

The Organization collects licence fees from firms and managers. A one-time application fee is also charged before the licences can be approved. Effective November 1, 2021 the Organization's Registrar assumed the responsibility for designating education requirements for condominium manager licence applicants. The Organization charges education fees for the provision of regulating courses for the licensees.

		2024		2023
Licence fee	**$**	**3,496,695**	$	3,210,088
Application fee		**179,550**		173,277
Reinstatement fee		**18,600**		14,550
Education fee		**156,070**		116,730
	$	**3,850,915**	$	3,514,645

9. Commitments

The Organization is committed to lease its current premises until November 30, 2029. The future minimum commitments are approximately as follows:

2025	$	187,278
2026		195,887
2027		202,005
2028		208,214
2029		214,516
Thereafter		153,279
	$	1,161,179

10. Restricted net assets

In fiscal 2019, the Organization established restricted net assets which were approved by the Board to build and maintain an adequate level of funds for the Organization to ensure stability of the mission, programs, employment, and ongoing operations of the Organization and to provide a source of internal funds to manage unforeseen contingencies. Transfers can be made to or from this fund, upon approval from the Board. In the fiscal year 2024, the Organization transferred $80,000 (2023 - $25,000) from its unrestricted accumulated net assets.

11. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations at March 31, 2024. Unless otherwise noted, these risks have not changed significantly from prior year.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable and provision for bad debts as necessary. No allowance for doubtful accounts was recognized as at year end. The Organization has a significant number of members which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The Organization is exposed to this risk mainly in respect of accounts payable. The Organization mitigates this risk by monitoring operating requirements. The Organization prepares an annual budget to ensure it has sufficient funds to fulfil its obligations.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of cash and short-term investment, fixed-rate instruments subject the Organization to a fair value risk while the floating rate instruments subject it to a cashflow risk.

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