

2012

The National Association
of Career Colleges



THE NATIONAL ASSOCIATION OF CAREER COLLEGES



2012 ANNUAL REPORT

2012 Annual Report

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Minutes from Previous AGM

**Minutes of the Annual General Meeting of Members
of the National Association of Career Colleges
May 6, 2011, Hilton Hotel and Suites, Niagara Falls Ontario**

Present: Michael Bateman, Grade Learning, ON
Randy Ellingson, Wellington College, MB
Joe Cairo, MC College
Mazher Jaffery, Canadian Business College, ON
Karen Gregory-Abbott, ParaMed Vocational School, ON
Heather Banks, Atlantic Paramedic Academy, NB
Ginette Gervais, Collège Salette, QC
Cathy Maiolo, Transitions College, ON
Michael McAllister, Herzing College, ON
James Keslassy, CNIH, ON
Rupert Altschuler, Everest College, ON
Chris Kantor, Eastern College, NB
Rawle Manoosingh, Robertson College, MB
Rich Chapman, Saskatoon Business College, SK
Frank Gerenscer, triOS College, ON
Debra Johns, Eastern College, NS
Steve Bartolini, KLC College, ON
David P. Leonard, Trebas Institute, ON/QC
Richard J. Thornton, Stanford International, ON
Martin Theiss, Centre for Arts and Technology, BC
Theresa Roper, Stenberg College, BC
Peter Dykstra, Medix, School, ON
John Nunziata, Consultant/Lawyer, ON
Christopher DeBarros, Everest College, ON
Don Thibert, Everest College, ON
Cindy Muller, Everest College, ON
Cheryl Russell-Julien, Hands On Practical Solutions, ON
Lorna Mills, OACC
Paul Kitchin, OACC
Ryan Anderson, Medix School, ON
Wayne Palendat, Robertson College, AB/MB
Martine Sabatier-Miller, Campbell College, AB
Des Whelan, Keyin College, NL

Kimberly Elliott, Institute for Human Services, NS
Serge Buy, Flagship Solutions, ON
Joe Gagliardi, CDI Colleges, ON
Deborah Burns, NBACC/CETAC
Allan Doerr, Westervelt College, ON
Janet Boutilier, NS College of ECE, NS
Nasir Ishmail, Medix School, ON
Margaret Drover, Keyin College, NL
Wayne Baiton, Western College of RMT, MB
Keith Kristalovich, Robertson College, MB
Lois McNestry, Discovery Community College, BC
Jas Taggar, CIMT College, ON
Kam Bal, CIMT College, ON
Amy Gagliardi, Beelineweb.com, BC
James Loder, Academy Canada, NL
Hira Ahuja, Epic College, ON
France Bouchard-Michaud, Medes College, NB
Mary Pagnotta, Transitions College, ON
Sharon Halliday, Campbell College, AB
David Kelly, Transitions College, ON
Dave Doobay, Thames Valley College, ON
Blair Chapman, Saskatoon Business College, SK
Dave McCarroll, Chartered Accountant
Anne Burns, Executive Director NACC
Debra McKinnon, Office Manager NACC
Aidan Harper, Exam Services Specialist NACC

1. Acceptance of Agenda

Michael McAllister pointed out that Bylaw Changes should have been listed on the agenda prior to the Election of Officers.

Motion: Moved by Sharon Halliday, seconded by Randy Ellingson, that the agenda be approved as amended.

Carried

2. Approval of the Minutes of the May 18, 2010 AGM

Motion: Moved by Wayne Palendat, seconded by Ginette Gervais, that the Minutes of the May 18, 2010 AGM be approved as circulated.

Carried

3. President's, Staff and Committee Reports

Michael McAllister allowed time to review the reports. Anne Burns spoke of the hard work and commitment of current and past exam committee members. Beth Shewkenek of Saskatoon Business College had dedicated 40 years to the sector and had contributed to the NACC Examination Services Committee for many years. Anne thanked Aidan Harper, NACC Curriculum and Examination Services Specialist, and Debra McKinnon, Office Manager for their dedication to the work of NACC.

Motion: Moved by Peter Dykstra, seconded by Kam Bal, that the President's, Staff and Committee Reports be accepted as presented.

Carried

Michael McAllister thanked Anne for all of her work and support.

4. Financial Reports

a) Audited Statements for 2010

Robert Prendergast, Treasurer NACC, complimented the staff on a clean audit and thanked the Finance Committee, Don Thibert. Robert noted that there was a surplus in 2009 and a deficit in 2010. The biggest difference was the substantial increase to ensure curriculum and exam quality assurance.

Motion: Move by Randy Ellingson, seconded by Peter Dykstra that the Audited Financial Statements for 2010 be approved as presented.

Carried

b) Budget for 2011

NACC was projecting a deficit budget. NACC currently had a net asset of \$310,000. Proposed increase to curriculum purchases in order to balance the budget had been decreased although a smaller increase was needed. It was recognized that NACC had to remain competitive. This would reduce net assets by 10%. It was hoped that the 2011 conference would generate a profit which would alleviate the projected deficit.

Motion: Moved by Allen Doerr, seconded by Stephen Bartolini that the 2011 Budget be approved as presented.

Carried

c) Appointment of Auditor for 2011

Motion: Moved by Robert Prendergast, seconded by Stephen Bartolini that David McCarroll be appointed as auditor for NACC for 2011.

Carried

5. Changes to By-laws

Motion: Moved by Peter Dykstra, seconded by Joe Cairo that Article 4.02 of the current Bylaw (2003) be amended to:

“A provincial Association Member is a provincial association that has entered into a Membership Agreement with NACC and represents Private Educators in one of the Provinces in Canada. Provincial Association membership in NACC is limited to one per province.”

Carried

Motion: Moved by David Leonard, seconded by Frank Gerenscer that Article 4.03 (c) be deleted.

Carried

Motion: Moved by Wayne Palendat, seconded by Blair Chapman that Article 6.03 be amended to:

“Six directors to be elected by the Active Members at the Annual General Meeting of Members.”

Carried

Motion: Moved by Lois McNestry, seconded by Sharon Campbell that By-law 6.04 be amended as follows:

“Following the election of the 6 directors to be elected by the Active Members, the Chairperson of the Nominating Committee shall draw lots. The first 2 names shall be elected for a term of 3 years, the next 2 names drawn shall be elected for a term of 2 years, and the remaining 2 names shall be elected for a term of one year.

Thereafter, directors shall hold office for a term of three years commencing immediately after the Annual General Meeting of Members at which such directors are elected and terminating at the conclusion of the Annual General Meeting of Members in the year in which such director’s terms of office expires. Directors shall, if otherwise qualified, be eligible for re-election.”

Carried

6. Election of Board Members

Robert Prendergast, Chair of the Nominating Committee, announced that the Board had vacancies for four Members-at-Large. Nominations received prior to the AGM were:

Debra Johns, Robert Prendergast and David Leonard.

There were no further nominations from the floor.

Motion: Moved by James Loder, seconded by Peter Dykstra that nominations be closed.

Carried

Motion: Moved by James Loder, seconded by Stephen Bartolini that Debra Johns, Robert Prendergast and David Leonard be appointed as Members at Large to the Board.

Carried

7. Ratification of Board Activities

Motion: Moved by Peter Dykstra, seconded by Randy Ellingson, that the actions of the Board of Directors be ratified by the members.

Carried

8. Presentation of 2012 Conference information would be shown at lunch.

9. Adjournment

Ginette Gervais moved that the Annual General Meeting of Members be adjourned at 9:30 am.

Message from the Chair

Dr. Michael McAllister

Chair

It is my pleasure to contribute to this 2011 Annual Report on behalf of the Board of Directors of the National Association of Career Colleges. This past year has been extremely positive for NACC, as we have seen progress in many areas that will help grow our sector and lead to tangible benefits for private career colleges and our membership in particular.

Our efforts should continue to lead to visibly positive effects on our bottom lines and to the students' experiences at our schools.

Over the past twelve months, NACC has continued its targeted lobbying efforts that began in 2010. We have been able to make and maintain very important connections with key individuals – be they bureaucrats, government officials, or Members of Parliament – that will help us bring about the positive changes we have been striving to achieve.

Our meetings with government officials have led to successes. They focused on the following priorities:

- Putting a stop to the discriminatory policies that prevented students attending private career colleges from obtaining work permits
- Better supporting our students by working to obtain positive changes to the Canada Student Grants Program
- Working with the government to change the policy that does not allow private career colleges to participate in the Imagine Education in/au Canada brand

Our primary accomplishment was the work permit issue. As a result of our efforts, the federal government, through Citizenship and Immigration Canada (CIC), changed its long-standing policy by opening up its list of eligible institutions for work permits to include both public and private post-secondary institutions.

Students at private post-secondary institutions are eligible for work permits as long as the colleges are on a list provided by provincial and territorial governments. This is a great victory for NACC, and our focus has turned in the last few months to discussions at the provincial level, where our provincial members are taking the lead. We are supporting them in their efforts to open up as many possibilities as we can for our members to be included on these provincial and territorial lists.

In the last year, we were also pleased to continue our meetings with high-level government officials (in the Prime Minister's Office and in the Human Resources and Skills Development Minister's Office) to promote our proposed changes to the Canada Student Grants Program.

In particular, we are looking to address the 60 week criterion – a policy that discriminates against private career colleges by not providing grants to student attending programs shorter than 60 weeks in duration.

We are proud that many of our programs are shorter than 60 weeks, and we will continue to fight for our students. We received a good response and saw in Budget 2011 some changes that would benefit our students and our colleges. However, more work needs to be done to emphasize the important role career colleges are playing in our country's economic recovery and the role we play in the training of our labour force in an efficient and productive way.

We are also making great strides in our efforts to become included in the Imagine Education in/au Canada brand. Our goal is to open up that brand to as many career colleges as possible, while making sure that the quality and recognition of the brand are not compromised by the decision to include career colleges.

As a result of our efforts, we are more active and have a higher profile on the federal scene. I believe our discussions with politicians and bureaucrats to be more substantial due to this higher profile, and we are starting to see a greater willingness to accommodate our needs.

On another note, conducting public relations continues to be an interesting topic for private career colleges. As always, news outlets are attracted to negative news stories, hyping up negative examples. It seems that all it takes is one example of a failed career college to cast a negative light on the many other well-run institutions.

So we continue to do our own publicity, starting with finding as many opportunities as we can to put positive stories in local media. This strategy is based on the idea that career colleges have a positive impact on their local communities, and they should be recognized primarily for that.

Moreover, we are regularly updating our website and Facebook page with good news stories and sharing the positive impact of our colleges. If unfortunate stories do emerge in the media, we also try to respond proactively to make sure the public is aware of the good work being done by our members.

Our objectives for 2012 are simple. We want to provide more benefits to our members. This will take the form of an increased effort to market our career colleges to international students. Our Board has approved an International Marketing Strategy that will attract more international students to our schools.

As well, in 2012 we are striving to manage change. Change is a constant, and we are working to make NACC as dynamic as possible and capable of adapting to the ever-evolving obstacles before us in the marketplace and in politics. Based on what we have accomplished in the last year, we are very optimistic our sector will continue to grow and career colleges will see the benefits of our association.

Help us spread the word!

Message from the CEO

Serge Buy

CEO

It is an honour to participate in NACC's 2011 Annual Report. This is my first Annual Report as CEO, and I believe NACC to be building on a solid foundation.

My predecessor, Executive Director Anne Burns, served the membership with dedication for many years. In particular, she worked tirelessly on committees, and under her watch the Educational Services offered by NACC grew significantly. She was an advocate for career colleges for many years, and I want to thank her for her service.

I would also like to thank NACC's office staff – Debra McKinnon, Aidan Harper and Debbie Stephens – for their good work the last year.

NACC's foundation is its membership. Under the direction of the Board of Directors, we have been active in promoting NACC's member colleges and their students across Canada and beyond. Our goal is to do more. Our membership is our greatest selling point, and we will continue to put this foot forward in the coming years.

There were many highlights in the last year of which we can be proud.

In particular, NACC held its first annual reception on Parliament Hill. The first annual NACC Student of the Year Awards were presented by the Speaker of the House, the Honourable Peter Milliken. Two impressive students were honoured with the awards. They exemplified the determination and excellence that characterize the award and what PCCs strive to produce.

The reception was a success – it was well attended by Members of Parliament from all parties, allowing us to portray career colleges to them in a positive light. The NACC's Student of the Year Award will become an annual national competition and will promote good news stories in our sector.

2011 also saw increased numbers of participants in our four standardized educational programs: Personal Support Worker, Early Childcare Assistant, Esthetics and Pharmacy Assistant. The strength of these programs helps keep NACC on a strong footing.

As such, we are working to increase the credibility of our education programs. NACC regularly conducts visits to ensure adherence to NACC program standards. We expect to conduct over 80 visits in 2012 covering schools from coast to coast.

In addition, one of our objectives in the coming year is a review of our audit system in order to heighten confidence in the delivery of our programs. Confidence from regulators and consumers is vital in offering strong programs.

In terms of our relations with government, NACC has been well represented at the national level. We have been actively representing our membership, including the following:

- Giving a presentation at House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities
- Giving a presentation at Foreign Affairs committee on international education
- Participating on the National Advisory Group on Student Financial Assistance (NAGSFA)
- Participating on the Advisory Committee on International Students and Immigration (ACISI)
- Providing a representative to the National Education Marketing Roundtable

Voicing our members' views to government is one of NACC's main priorities, and we will continue to serve on committees and make presentations to government in order to keep our profile high and be involved in important decision-making.

NACC has once again worked hard this year to increase its membership, now at nearly 500 members. This number is still below our objective, as we still represent less than half the registered private career colleges in Canada. However, we are working hard to raise the value of being a member.

Our website is now bilingual, and we are updating the site regularly to make it an attractive portal for all our activities. We are also communicating more often to members through regular email updates.

One of NACC's primary goals remains to actively grow the membership and to keep our members engaged and involved in our activities.

We also want to improve all forms of our communications. This includes our internal communications to members in the form of email updates but also the social media component of Facebook and Twitter. We are sharing important information through these media, and we encourage everyone to follow us!

Our sponsorships have also increased over the last year. By partnering with respected sponsors, we build mutually, and NACC is benefitting by these partnerships.

Finally, I wish to thank the Board for their oversight and commitment. Together with the NACC staff, I look forward to continuing to serve NACC members and their students in the year ahead.

We can do more!

Examination Services Report

Aidan Harper

Examination Services Specialist

In 2011, the NACC Exam Services Committees once again worked hard to promote quality program standards. They donated their time and expertise to ensure that all the NACC Programs remain relevant to students entering the workforce in Canada. Here is a breakdown of the progress made by the four NACC programs.

Early Childcare Assistant Program

Implemented in 2009, the ECA program has grown steadily since then.

We are pleased to announce that the Ontario College of ECE will be reviewing our ECA and ECE Programs for equivalency to the OCAAT standards. The ECE Program being finalized will have one college submit their program to the Ontario College of ECE for approval; once approved, the program will be available to all members who currently have the 2008 version of the ECA Program.

We have also contacted the Child Care Education Program Approval Committee (CCEPAC) in Manitoba to request that PCC ECA/ECE graduates can be certified in Manitoba. We expect they will approve.

NACC announced that we are creating a joint ECA/ECE Program Exam Services Committee. This program will be due for a revision starting in 2013.

- EXAMS – 71 % pass rate (343 exams written with 243 passed)
- Current ECA Committee members: Maryann Deluca, ECE instructor; Sue Martin, Education Specialist; Wayne Palendat, NACC Board Representative

Pharmacy Assistant Program

Interest grew in the Pharmacy Assistant Program in 2011. We now have 7 members who have the program, including one in Nova Scotia. We will be looking to market the program in 2012-2013. The program will be up for revision in 2014-2015.

- EXAMS – 100% pass rate (5 exams written with 5 passed)
- Current Pharmacy Assistant Committee members: Cheryl Russell-Julien, Consultant; Ann Robinson, Curriculum Consultant; Mike McAllister, NACC Board Representative

Esthetics

We are pleased to report that the revised Esthetics program was officially released to all of our members in June 2011. As of September 2012 the previous Esthetics Program will no longer be endorsed by NACC. Exams for the previous program will no longer be available as of January 31st, 2013.

It is estimated that the first set of students from the Revised Esthetics Program will be ready to take their exams as of August 2012. The exam database is being revised for the new program content.

In May of 2011, the Saskatchewan Apprenticeship and Trade Certification Commission approved the revised NACC Esthetics Program for technical training credit in Saskatchewan. This includes the Skin Care Technician (credit of 1040 hours) and the Nail Technician (credit of 446 hours).

- EXAMS – saw a 59% pass rate (58 exams written with 34 exams passed)
- Current Esthetics Committee Members: France Bouchard-Michaud, Medes College; Sherry Docherty, National Institute of Esthetics; Brian Galway, Academy Canada; James Loder, NACC Board Representative

Personal Support Worker

MTCU announced that PSW standards would be created for all PCCs in Ontario and may be released in 2013. NACC had been involved in the stakeholder discussions with the PCCB of the Ontario MTCU on this issue. This announcement of the standards caused a delay in the PSW Program revision currently ongoing, but the revisions are again underway. NACC is confident we will continue to exceed the set standards.

Health Canada will be releasing Pan-Canadian Educational Standards for the Personal Care Provider (PSW) in the next few months as well. NACC was involved in the project. NACC will be using the Canadian Educational Standards as a framework for the revisions to our current program. We feel strongly that this will help in promoting the quality of our students and assisting for pan-Canadian mobility of our graduates of the NACC PSW Program.

Revisions include but are not limited to National Food Handling Certificate, Acute Care, multiple intake points, rearrangement of theory and practicum, and evaluations that address all learning styles.

- EXAMS – saw a 91% pass rate (5279 exams written with 4788 exams passed)
- Current PSW Committee members: Anne Burns, former ED; Ann Robinson, Curriculum Consultant; Jeff Miller, Medix School; Janet Szczukocki, Canadian Red Cross; Myrna O'Brien, triOS College; Linda von Tettenborn, consultant; Chris Kantor, NACC Board Representative

The Instructor PD Day

The Instructor Professional Development Day was held in Toronto in November 2011. Over 150 people attended – we would have had more people attend if it were not for lack of meeting room space. We are looking into having live webinar broadcasting for the next date so anyone who wishes to attend can.

There were plenary sessions in the morning and exciting program-specific sessions in the afternoon to address critical and interesting topics to help our instructors of the NACC programs.

NACC Program Accreditation Visits

NACC has comprised a committee that will officially audit the NACC Program Accreditation Visit Process. The committee is comprised of one PCC representative and two non-PCC representatives. The committee will identify the strengths and opportunities in our process so we may improve upon what we have accomplished thus far.

Board of Directors as at December 31, 2011

The composition of the NACC Board of Directors at this date:

Provincial Appointees (1 per province):

BC	Lois McNestry
AB	Martine Sabatier
SK	Blair Chapman
MB	Wayne Palendat
ON	George Hood
QC	Ginette Gervais
NB	Chris Kantor
NS	Jamie Hartling
NL	James Loder

Members at Large Positions:

There are 6 Members at Large. 5 Members at Large were elected at the 2011 Annual General Meeting. At a Board of Directors meeting following the 2011 AGM, the 5 Members at Large Directors drew lots to determine their length of term. A 6th Director, Don Thibert, was added thereafter for a 1-year term, in accordance with the By-laws.

Joe Cairo	3 years
David Leonard	3 years
Debra Johns	2 years
Michael McAllister	2 years
Robert Prendergast	1 year
Don Thibert	1 year

At the 2012 Annual General Meeting, two Board of Directors positions will be up for election: the ones currently occupied by Robert Prendergast and Don Thibert, whose terms will expire at the AGM.

NACC Annual Budget from January 1 to December 31, 2012

BUDGET 2012	
REVENUE	2012 Consolidated
Membership Dues Active	\$66,000.00
Membership Dues Assoc.	\$5,200.00
Curr. Purchase/Prog Ver Fees	\$90,000.00
Exam Fees	\$250,000.00
Passbooks/Brochures	\$27,000.00
Annual Conference	\$60,925.00
Instructor Workshops	\$6,400.00
Affinity Revenue	\$20,700.00
IDP	\$15,000.00
Credit Card Revenue	\$7,650.00
Sponsorship	\$20,000.00
Government Funding Admin Fees/Overhead	\$200,000.00
Interest	\$3,000.00
TOTAL REVENUE	\$771,875.00
EXPENSES	
Salaries	\$129,000.00
Benefits	\$17,000.00
WSIB	\$880.00
Acctg Service	\$1,000.00
Amortization expense	\$3,200.00
Bank Serv Chg/Payroll Admin	\$1,200.00
Credit Card Expense	\$15,300.00
Computer Support	\$400.00
Equipment Lease	\$5,700.00
Insurance	\$4,500.00
Legal/Audit	\$7,000.00
Memberships/Subscriptions	
Office Supplies	\$3,000.00
Photocopying Expense	\$1,900.00
Postage/Courier	\$9,000.00
Rent Expense	\$24,533.00

Shipping Supplies	\$900.00
Tel/Fax/Internet	\$5,000.00
Translation	\$5,000.00
Board Meeting Expense	\$42,000.00
Conference Expense	\$71,000.00
Instructor Workshop Expense	\$6,400.00
Consulting Fees	\$149,500.00
Consultant Travel	\$10,000.00
Promotional Expense	\$2,000.00
Govt Funding Projects	\$170,000.00
Sponsorship	\$20,000.00
Staff Training	\$2,000.00
Staff Travel	\$5,000.00
Certificate Expense	\$600.00
Curriculum Development	\$5,000.00
Online Exam Fees	\$12,000.00
Exam Supplies Expense	\$12,000.00
Exam Pins	\$7,000.00
National Exam Committee Exp	\$40,500.00
TOTAL EXPENSE	\$789,513.00
SURPLUS/DEFICIT	-\$17,638.00

APPENDIX A

Financial Statements as at December 31, 2011

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INDEPENDENT AUDITOR'S REPORT

To the Members of National Association of Career Colleges

I have audited the accompanying financial statements of National Association of Career Colleges, which comprise the balance sheet as at December 31, 2011 and the statements of operations and retained earnings 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, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Association of Career Colleges as at December 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with Canadian Accounting Standards.

Toronto, Ontario
March 26, 2012



CHARTERED ACCOUNTANT
LICENCED PUBLIC ACCOUNTANT

NATIONAL ASSOCIATION OF CAREER COLLEGES

BALANCE SHEET

AS AT DECEMBER 31, 2011

	2011	2010
ASSETS		
CURRENT		
Cash in bank	\$ 47,553	\$ 48,764
Short-term investments, at cost	216,076	213,712
Accounts receivable	39,595	7,720
Prepaid expenses	<u>20,931</u>	<u>8,979</u>
	324,155	279,175
CETAC TRANSITION COSTS (Note 4)	52,887	52,887
PROPERTY AND EQUIPMENT (Note 5)	<u>13,568</u>	<u>15,300</u>
	\$ <u>390,610</u>	\$ <u>347,362</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 15,105	\$ 12,356
Government remittances payable, not in arrears	19,366	24,260
Deferred Leadership Academy fees	47,000	-
Deferred conference fees	<u>3,910</u>	<u>-</u>
	85,381	36,616
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>305,229</u>	<u>310,746</u>
	\$ <u>390,610</u>	\$ <u>347,362</u>

APPROVED ON BEHALF OF THE BOARD:

 Director
 Director

The accompanying notes are an integral part of these financial statements.

NATIONAL ASSOCIATION OF CAREER COLLEGES
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
REVENUE (see Schedule on Page 7)		
Examinations and other services	\$ <u>599,826</u>	\$ <u>506,019</u>
EXPENSES (see Schedules on Page 7)		
Examination services	278,955	216,046
Member services	197,777	194,395
Office and administration	<u>128,611</u>	<u>124,757</u>
	<u>605,343</u>	<u>535,198</u>
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUES)	(5,517)	(29,179)
NET ASSETS , beginning of year	<u>310,746</u>	<u>339,925</u>
NET ASSETS , end of year	<u>\$ 305,229</u>	<u>\$ 310,746</u>

The accompanying notes are an integral part of these financial statements.

NATIONAL ASSOCIATION OF CAREER COLLEGES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Cash received from members	\$ 69,961	\$ 65,498
Cash received from provision of services	493,096	451,598
Cash paid for salaries and benefits	(193,649)	(176,500)
Cash paid to suppliers	<u>(366,877)</u>	<u>(355,563)</u>
	<u>2,531</u>	<u>(14,967)</u>
 CASH USED IN FINANCING ACTIVITIES		
Decrease (increase) in short-term investments	(2,364)	(61,320)
Net funding provided on behalf of CETAC transition costs	<u>-</u>	<u>(10,000)</u>
	<u>(2,364)</u>	<u>(71,320)</u>
 CASH USED IN INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(1,378)</u>	<u>(674)</u>
 INCREASE (DECREASE) IN CASH DURING THE YEAR	(1,211)	(86,961)
CASH IN BANK, beginning of year	<u>48,764</u>	<u>135,725</u>
CASH IN BANK, end of year	<u>\$ 47,553</u>	<u>\$ 48,764</u>

The accompanying notes are an integral part of these financial statements.

NATIONAL ASSOCIATION OF CAREER COLLEGES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. STATUS AND NATURE OF ACTIVITIES

The Association is incorporated without share capital under the laws of the Dominion of Canada and provides curriculum and examination services as well as other services to the member provincial associations and private career colleges (vocational schools).

The Association qualifies as a Not-For-Profit organization under the terms of the Income Tax Act (Canada) and, as such, is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. Outlined below are those policies considered significant for the Association.

(a) Property and equipment

Property and equipment consisting of office furniture, equipment and leasehold improvements are stated at cost. Amortization of office furniture and equipment has been provided over the estimated useful life of the assets on a 10%-20% diminishing balance basis. Amortization of leaseholds has been provided over a period of ten years on a straight-line balance basis.

(b) Revenue Recognition

The Association recognizes revenues from examination, curriculum and other services when the exams and curriculums are shipped to the customer. Payment is based on agreed prices and credit terms contained on sales invoices.

The Association recognizes membership revenues from provincial associations and affiliates on a calendar basis which represents the annual term of membership. Payment is based on agreed prices and terms contained on membership renewal notices.

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the recognition, measurement and disclosure of amounts reported in the financial statements and accompanying notes. The reported amounts and note disclosures are determined using management's best estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Actual results may differ from such estimates as additional information becomes available in the future.

(d) Short-term Investments

Short-term investments are represented by term deposits or guaranteed investment certificates of a Canadian Chartered Bank having maturity dates of less than one year.

(e) Non-monetary Transactions

Management of the Association estimates that voluntary members provide approximately 1,500 hours of time without compensation.

(f) Adoption of Proposed Accounting Standards

In December 2010 the Accounting Standards Board approved the incorporation of the standards set out in Part III of the CICA Handbook as the accounting standards applicable to all Canadian not-for-profit organizations. Implementation of the new standards is required for fiscal years beginning January 1, 2012. Adoption of the new standards is not expected to result in a retroactive restatement of earlier years.

NATIONAL ASSOCIATION OF CAREER COLLEGES

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2011

3. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and deposits on account of future services. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. Management is of the opinion that the carrying value of these financial instruments approximates fair market value.

4. CETAC TRANSITION COSTS

To assist with the funding of the renewal costs of the Canadian Education and Training Accreditation Commission (CETAC), the Association agreed to provide funding for the renewal process which is repayable by CETAC at such time as CETAC is in a financial position to do so.

5. PROPERTY AND EQUIPMENT

			2011	2010
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Office furniture and equipment	\$ 72,581	\$ 63,347	\$ 9,234	\$ 11,175
Leasehold improvements	<u>7,564</u>	<u>3,230</u>	<u>4,334</u>	<u>4,125</u>
	<u>\$ 80,145</u>	<u>\$ 66,577</u>	<u>\$ 13,568</u>	<u>\$ 15,300</u>

6. COMMITMENTS

The Association has entered into various office equipment operating lease agreements which expire on various dates through to September 5, 2014. The leases require annual payments totalling approximately \$6,621.

7. RELATED PARTY TRANSACTIONS

Office premises and certain administrative services are provided by the Ontario Association of Career Colleges at rates and conditions prevailing in the general marketplace.

NATIONAL ASSOCIATION OF CAREER COLLEGES
SCHEDULES TO THE STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
REVENUE		
Affinity program	\$ 5,462	\$ 4,699
Annual conference	55,522	49,364
Curriculum fees	100,925	48,151
Examination service fees	337,282	334,342
Examination services workshops	15,435	-
Fee for service (OACC)	3,171	1,644
Membership fees	69,961	65,498
Interest and sundry income	<u>12,068</u>	<u>2,321</u>
	<u>\$ 599,826</u>	<u>\$ 506,019</u>
EXAMINATION SERVICES EXPENSES		
Committee meetings	\$ 45,185	\$ 43,526
Courier and shipping	12,978	9,183
Curriculum development	8,259	7,027
Equipment rental and maintenance	2,612	2,642
Examination services workshops	22,184	3,922
On-line examination fees	12,525	11,778
Professional fees	3,805	1,393
Rent	11,678	11,264
Salaries and benefits	126,267	111,195
Supplies and pins	<u>33,462</u>	<u>14,116</u>
	<u>\$ 278,955</u>	<u>\$ 216,046</u>
MEMBER SERVICES EXPENSES		
Advocacy and consulting services	\$ 95,254	\$ 76,454
Annual conference	44,073	59,143
Board and committee meetings	56,328	54,397
Printing and reproduction costs	<u>2,122</u>	<u>4,401</u>
	<u>\$ 197,777</u>	<u>\$ 194,395</u>
OFFICE AND ADMINISTRATION EXPENSES		
Amortization	\$ 3,110	\$ 3,361
Bank charges	16,069	18,480
Computer support services	2,308	4,014
Courier and shipping	2,290	4,523
Equipment rental and maintenance	3,462	3,575
Insurance	4,004	1,737
Office supplies	4,217	2,714
Professional fees	3,805	1,393
Salaries and benefits	67,382	65,305
Rent	11,678	11,265
Subscriptions and promotions	2,913	2,346
Telephone, internet and fax	6,458	5,878
Training and development	<u>915</u>	<u>166</u>
	<u>\$ 128,611</u>	<u>\$ 124,757</u>