



**The Ontario Educational
Communications Authority**

Financial Statements
for the year ended
March 31, 2024

Management's Responsibility for Financial Statements

The accompanying financial statements of the Ontario Educational Communications Authority have been prepared in accordance with Canadian public sector accounting standards and are the responsibility of management. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be determined with certainty until future periods. The financial statements have been properly prepared within reasonable limits of materiality and in light of information available up to July 26, 2024.

Management maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded, and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Board reviews and approves the financial statements and meets periodically with management, and the Office of the Auditor General of Ontario to discuss audit, internal control, accounting policy, and financial reporting matters.

The financial statements have been audited by the Office of the Auditor General of Ontario. The Auditor General's responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with Canadian public sector accounting standards. The Independent Auditor's Report, which appears on the following page, outlines the scope of the Auditor General's examination and opinion.

On behalf of Management:



Jeffrey L. Orridge
Chief Executive Officer



Jennifer Hinshelwood
Chief Operating Officer



INDEPENDENT AUDITOR'S REPORT

To the Ontario Educational Communications Authority
and to the Minister of Education

Opinion

I have audited the financial statements of the Ontario Educational Communications Authority (TVO Media Education Group), 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVO Media Education Group as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of TVO Media Education Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector 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.

In preparing the financial statements, management is responsible for assessing the TVO Media Education Group'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 TVO Media Education Group either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing TVO Media Education Group's financial reporting process.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and my auditor's report thereon, in TVO Media Education Group's 2024 Annual Report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I obtained the 2024 Annual Report prior to the date of this auditor's report. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact in this auditor's report. I have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 TVO Media Education Group'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 TVO Media Education Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause TVO Media Education Group 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.

I 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 I identify during my audit.



Statement of Financial Position

As of March 31, 2024

	Note	2024	2023
Assets			
Current Assets			
Cash	3	24,699	10,871
Short term investments	3	-	18,000
Accounts receivable	3	2,050	5,308
Prepaid expenses		1,404	1,011
		28,153	35,190
Non-current Assets			
Programming and production assets	4	20,358	20,664
Long term investments	3	17,000	17,000
Capital assets	5	8,966	9,215
		46,324	46,879
Total Assets		74,477	82,069
Liabilities and Net Assets			
Current Liabilities			
Accounts payable and accrued liabilities		10,544	13,608
Deferred revenue	2(l),6	11,633	9,566
		22,177	23,174
Non-current Liabilities			
Deferred capital contributions	7	5,527	5,842
Employee future benefits	8	15,035	15,659
Security deposits – Independent Learning Centre		105	130
Asset retirement obligation	9	609	546
		21,276	22,177
Total Liabilities		43,453	45,351
Net Assets			
Invested in programming and production assets		20,356	20,664
Invested in capital assets		6,969	6,715
Unrestricted	2(l)	3,699	9,339
Total Net Assets		31,024	36,718
Total Liabilities and Net Assets		74,477	82,069

Commitments and contingencies (notes 12 & 13)

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

On behalf of the Board:

Chair

Director

Statement of Operations

For the year ended March 31, 2024

	Note	2024	2023
Revenues			
Government grants			
Base operating funding		41,767	36,767
Independent Learning Centre, General Education Development Testing, Mathify		6,759	10,130
Online course content development		3,537	3,541
Capital maintenance		1,536	1,536
Over-the-air transmission		-	1,000
General Education Development Testing digitization		-	113
		53,599	53,087
Donations and sponsorships		4,971	5,466
Course fees	2(l)	2,960	3,443
Investment income		1,864	1,662
Transmitter tower rental and maintenance		1,186	1,058
Amortization of deferred capital contributions	7	531	844
Other		266	314
		65,377	65,874
Expenses			
Content and programming		19,266	18,723
Independent Learning Center, General Education Development Testing, Mathify		17,453	16,417
Technical and production support services		18,007	15,180
Management and general expenses		8,400	7,549
Online course content development		3,470	3,547
Amortization of capital assets	5	2,025	2,951
Donations and sponsorships		1,480	1,747
Employee future benefits	8	(236)	47
		69,865	66,161
(Deficiency) of revenues over expenses		(4,488)	(287)

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

Statement of Changes in Net Assets

For the year ended March 31, 2024

	2024			
	Invested in Programming and Production Assets	Invested in Capital Assets	Unrestricted	Total
Balance, beginning of year	20,664	6,715	9,339	36,718
Opening adjustment, adoption of PS 3400 (note 2(l))	-	-	(1,206)	(1,206)
(Deficiency)/Excess of revenues over expenses	(6,422)	(1,522)	3,456	(4,488)
Invested in assets during the year	6,114	1,776	(7,890)	-
Balance, end of year	20,356	6,969	3,699	31,024

	2023			
	Invested in Programming and Production Assets	Invested in Capital Assets	Unrestricted	Total
Balance, beginning of year	20,742	6,882	9,381	37,005
(Deficiency)/Excess of revenues over expenses	(7,110)	(2,130)	8,953	(287)
Invested in assets during the year	7,032	1,963	(8,995)	-
Balance, end of year	20,664	6,715	9,339	36,718

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

Statement of Cash Flows

For the year ended March 31, 2024

	Note	2024	2023
Operating activities			
(Deficiency) of revenues over expenses		(4,488)	(287)
Change in non-cash items:			
Amortization of capital assets		2,025	2,951
Accretion asset retirement obligation	9	28	26
Amortization of deferred capital contributions	7	(531)	(844)
Amortization of programming and production assets	4	6,397	7,110
Employee future benefits (income)/expense	8	(236)	47
Increase in asset retirement obligation	9	35	276
Adoption PS 3400, Revenue	2(l)	(1,206)	-
Net changes in non-cash working capital:			
Accounts receivable		3,258	(3,502)
Prepaid expenses		(393)	12
Deferred revenue		2,067	1,019
Accounts payable and accrued liabilities		(3,064)	(637)
Security deposits – Independent Learning Centre		(25)	(20)
Employee future benefits payments		(388)	(394)
Cash provided by operating activities		3,479	5,757
Capital activities			
Additions and adjustments - programming and production assets	4	(6,091)	(7,032)
Additions - capital assets	5	(1,776)	(1,966)
Cash used in capital activities		(7,867)	(8,998)
Investing and financing activities			
Net redemption / (purchase) of short-term investments	3	18,000	(8,000)
Purchase of long term investments	3	-	(17,000)
Investment income on capital renewal fund	7	200	121
Additions to deferred capital contributions	7	16	-
Cash provided by / (used in) investing and financing activities		18,216	(24,879)
Net increase / (decrease) in cash during the year		13,828	(28,120)
Cash, beginning of year		10,871	38,991
Cash, end of year		24,699	10,871

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

Notes to Financial Statements

For the year ended March 31, 2024

1. AUTHORITY AND MANDATE

The Ontario Educational Communications Authority (the "Authority") is a Crown Corporation of the Province of Ontario that was created in June 1970 by the Ontario Educational Communications Authority Act (the "Act"). In accordance with the Act, the Authority's main objective is to initiate, acquire, produce, distribute, exhibit or otherwise deal in programs and materials in the educational programming and communications fields. The Authority is licensed by the Canadian Radio-television and Telecommunications Commission ("CRTC") to broadcast English-language educational television programs. The broadcasting licence is subject to renewal by the CRTC and the current licence is for the period January 1, 2024 to August 31, 2030.

The Authority also provides the following:

- The Independent Learning Centre (ILC) provides digital education course credits towards earning an Ontario secondary school diploma, upgrading basic skills, or personal development.
- General Education Development (GED) Testing. The GED certificate is the Ontario high school equivalency certificate for adult learners to demonstrate high school-level knowledge and skills, without having completed a formal secondary school program.
- The Mathify service which is 1:1 online math tutoring with an Ontario Certified Teacher at no charge to the student. It also offers educators an enriched online classroom tool that enables interactive math lessons and activities, personalized learning and easy sharing between teachers, students and tutors.

The Authority is a registered charitable organization which may issue donation receipts for income tax purposes. As a Crown Corporation of the Province of Ontario, the Authority is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Authority have been prepared by management in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations that include the 4200 series of the Public Sector Accounting Standards.

(b) Cash

Cash includes operating and high yield balances with banks, net of any overdrafts.

(c) Investments

Short term investments consist of GIC's with maturities of over 90 days to one year at the year-end date and are carried at cost.

Long term investments consist of GIC's and principal protected notes with maturities of more than one year. Long term investments are recorded at cost and assessed regularly for permanent impairment.

(d) Programming and production assets

Programming and production assets consist of programs that require the Authority's involvement during production and acquired license agreements. Programming and production assets are recorded at cost less accumulated amortization. Amortization begins upon the first airing or publishing date of the content. Programming and production assets are amortized on a straight-line basis over the following terms:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Programming and production assets (continued)

Programming and production assets	Amortization Period
Current affairs programming and network promotions produced by the Authority	Expensed as incurred
Children's programming produced by the Authority	4 years
Licensed programs and digital media content	Term of contract
Digital media content acquired under contract with perpetual rights	Expensed in year of delivery

The Authority reviews the carrying amounts of its programming and production assets on an annual basis. When a program is no longer suitable for distribution or if a development project is terminated, the Authority will recognize an expense (write-down) equal to its net carrying amount.

(e) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Capital assets are amortized on a straight-line basis over the following terms beginning the year following acquisition:

Capital Assets	Amortization Period
Buildings	30 years
Computer Equipment	4-5 years
Computer Software	3-5 years
In-House Technical Equipment	7 years
Leasehold Improvements	5 years
Office Furniture and Equipment	10-15 years
Transmitter Equipment	7-17 years
Asset Retirement Obligation	17 years
Vehicles	5 years

The Authority reviews the carrying amounts of its capital assets on an annual basis. When a capital asset no longer has any long-term service potential, the Authority will recognize an expense (write-down) equal to the excess of its net carrying amount over any residual value.

Work in progress is not amortized until the completed assets are placed into operation.

(f) Employee Future Benefits

Pension Benefit Costs

Eligible Authority employees are members of the Public Service Pension Plan (PSPP). The Authority accounts for its participation in the PSPP, which is a multi-employer defined benefit pension plan, as a defined contribution plan.

The Province of Ontario, who is the sole sponsor of the PSPP, determines the Authority's annual payments to the PSPP and is responsible for ensuring that the pension funds are financially viable. Any surplus or unfunded liabilities arising from statutory actuarial funding valuations are not assets or obligations of the Authority. Therefore, the Authority's contributions are accounted for as if the PSPP was a defined contribution plan with the Authority's contributions being expensed in the period they come due.

Post-employment Benefits Plan

The cost of other post-retirement benefits is determined by independent actuaries based on management's best estimate assumptions using the projected benefits method prorated on service. Adjustments to these costs arising from changes in estimates and actuarial experience gains and losses are amortized over the estimated average remaining service life of the employee groups on a straight-line basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Asset Retirement Obligation

Liabilities are recognized for statutory, contractual or legal obligations, associated with the retirement of capital assets when those obligations result from the acquisition, construction, development or normal operation of the asset. The obligations are initially measured at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of the discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations. The Authority recognizes a liability for future decommissioning of its transmitter facilities.

(h) Revenue Recognition

1. The Authority follows the deferral method of accounting for restricted grants, contributions and donations which are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants, contributions and donations are recognized as revenue when received or receivable (if the amount to be received can be reasonably estimated and collection is reasonably assured).
2. During the year funding for Mathify and Over-the-air transmission services were converted from project-based funding to base operating funding.
3. Revenue from grants and contributions restricted for the purchase of capital assets is deferred and amortized over the same period of use as the related capital asset.
4. Revenue from the licensing of program material is recognized when the program material is delivered.
5. Sponsorship revenues are recognized over the period the sponsorship program is delivered by the Authority.
6. Student fees for courses offered by the Independent Learning Centre ("ILC") are recognized as revenue at the earliest of when the course is completed or the time limit for completing the course expires.
7. Registration fees for General Education Development Testing ("GED") are recognized as revenue at the earliest of when testing commences or the time limit to complete the test expires.
8. Revenue from transmitter tower rental and maintenance agreements is recognized according to the terms of the agreement.
9. Investment income is recognized as revenue when earned.

(i) Expenses and Prepaid Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Amounts paid in advance for expenses not yet incurred are recorded as prepaid expenses.

(j) Financial Instruments

The Authority's financial instruments are accounted for as follows:

- Cash and investments are carried at cost.
- Accounts receivable are stated at amortized cost and shown net of an allowance for doubtful accounts.
- Accounts payable and accrued liabilities are stated at cost.

(k) Measurement Uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include employee future benefits, asset retirement obligation, and useful life of capital assets and programming and production assets. Actual results could differ from those estimates.

(l) Adoption of New Accounting Standard

The Authority has adopted Canadian Public Sector Accounting Standard 3400 *Revenue* effective for the current fiscal year beginning April 1, 2023. PS 3400 *Revenue* establishes a standard on how to account for and report on revenue, differentiating between revenue arising from transactions that include performance obligations, identified as exchange transactions, and transactions that do not have performance obligations, identified as non-exchange transactions.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Adoption of New Accounting Standard (continued)

For transactions within the scope of PS 3400, the Authority has evaluated the composition and characteristics of the following transactions:

- Transactions with no performance obligations are recognized as revenue when the Authority can claim or retain an inflow of economic resources and a past event has occurred that gives rise to an asset.
- Transactions with performance obligations are recognized as revenue either at a point in time or over a period of time when individual performance obligations are satisfied.

The adoption of this standard impacted the timing of the recognition of ILC course fees. The Authority determined that its performance obligation, as it relates to the recognition of ILC course fees is satisfied at the earlier of when a student completes a course or the time frame to complete a course expires. Previously, ILC revenue was recognized when students enrolled in a course.

The Authority implemented the new accounting standard effective April 1, 2023. An adjustment was recorded reducing unrestricted net assets by \$1.206 million at April 1, 2023 with a corresponding increase in deferred revenue. The current year impact of PS 3400 was a decrease in course fee revenue of \$1.059 million and a corresponding increase in deferred revenue. The standard was applied prospectively and comparative figures were not restated.

3. FINANCIAL INSTRUMENTS

Cash

Included in cash is \$2,557 (2023 - \$3,614) of funds that are internally restricted for the Capital Renewal Fund (note 7).

Accounts receivable

	Note	2024	2023
Ministry of Education	11	-	3,354
Course fees, sponsorships, transmitter tower rental and maintenance		1,229	817
Accrued interest		407	870
HST rebate		401	247
Others		13	20
		2,050	5,308

The accounts receivables are current in nature and expected to be received within 90 days of the year end.

Short term investments

	Issue Date	Maturity Date	Interest Rate	2024 Principal Amount
N/A				-
				2023
	Issue Date	Maturity Date	Interest Rate	Principal Amount
GIC – 1 year	Aug 25, 2022	Aug 25, 2023	4.64%	13,000
GIC – 1 year	Aug 25, 2022	Aug 25, 2023	Variable	5,000
				18,000

3. FINANCIAL INSTRUMENTS (continued)
Long term investments

				2024
	Issue Date	Maturity Date	Interest Rate	Principal Amount
Principal protected note	Sep 1, 2022	Sep 1, 2027	TBD*	3,000
GIC – 5 year	Aug 23, 2022	Aug 23, 2027	4.8%	14,000
				17,000

				2023
	Issue Date	Maturity Date	Interest Rate	Principal Amount
Principal protected note	Sep 1, 2022	Sep 1, 2027	TBD*	3,000
GIC – 5 year	Aug 23, 2022	Aug 23, 2027	4.8%	14,000
				17,000

* The principal protected note is a deposit note which guarantees return of the principal when held to maturity plus variable returns based on the performance of the underlying assets.

Operating line of credit

As part of its financial arrangements, the Authority negotiated a demand revolving line of credit with CIBC. The maximum available credit under the facility is \$1.0 million (2023 – \$1.0 million). The line of credit is unsecured and bears interest at the bank's prime lending rate. As at March 31, 2024, no amount (2023 – \$nil) was outstanding under the facility.

Risk disclosures
(a) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its cash flow obligations as they fall due. The Authority manages its liquidity risk by monitoring its operating requirements and prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Authority is not exposed to significant liquidity risk.

(b) 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 Authority is exposed to credit risk arising from its accounts receivable. Given the amount of the Authority's accounts receivable and past experience regarding payments, the Authority is not exposed to significant credit risk.

(c) 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 Authority is exposed to interest rate risk through its variable rate investments.

(d) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Authority maintains a U.S. dollar bank account. Its balance was not significant at any time during the year and as a result the Authority is not exposed to significant currency risk.

The above risk exposures are unchanged from the previous year except that the Authority is exposed to interest rate risk through its variable rate investments.

4. PROGRAMMING AND PRODUCTION ASSETS

Changes in programming and production assets:

	2024	2023
Cost:		
Balance, beginning of year	59,564	102,584
Additions and adjustments	6,091	7,032
Fully amortized assets	(22,012)	(50,052)
Balance, end of year	43,643	59,564
Accumulated Amortization:		
Balance, beginning of year	38,900	81,842
Amortization	6,397	7,110
Fully amortized assets	(22,012)	(50,052)
Balance, end of year	23,285	38,900
Net book value	20,358	20,664

Programming and production assets by category:

	2024	2023
Completed programs	16,538	16,842
Programs in process of production	3,820	3,822
	20,358	20,664

Amortization expense is included in content and programming expense.

5. CAPITAL ASSETS

Cost	Land	Buildings	Transmitter Equipment	Asset Retirement Obligation	In-house Technical Equipment	Leasehold Improvements	Computer Equipment	Office Furniture and Equipment	Vehicles	Computer Software	Total 2024
Opening balance	186	2,018	9,911	833	4,852	1,087	7,408	1,703	198	9,310	37,506
Additions	-	-	413	35	268	-	612	-	-	448	1,776
Disposals	-	-	-	-	(1)	-	-	-	(31)	-	(32)
Ending Balance	186	2,018	10,324	868	5,119	1,087	8,020	1,703	167	9,758	39,250
Accumulated Amortization											
Opening balance	-	1,956	6,669	515	2,679	785	5,515	1,254	193	8,725	28,291
Amortization	-	4	345	25	522	163	612	46	4	304	2,025
Disposals	-	-	(1)	-	-	-	-	-	(31)	-	(32)
Ending Balance	-	1,960	7,013	540	3,201	948	6,127	1,300	166	9,029	30,284
Net Book Value	186	58	3,311	328	1,918	139	1,893	403	1	729	8,966

Cost	Land	Buildings	Transmitter Equipment	Asset Retirement Obligation	In-house Technical Equipment	Leasehold Improvements	Computer Equipment	Office Furniture and Equipment	Vehicles	Computer Software	Total 2023
Opening balance	186	2,018	9,691	557	22,007	1,087	7,209	1,697	220	9,307	53,979
Additions	-	-	222	276	262	-	1,170	6	-	30	1,966
Disposals	-	-	(2)	-	(17,417)	-	(971)	-	(22)	(27)	(18,439)
Ending Balance	186	2,018	9,911	833	4,852	1,087	7,408	1,703	198	9,310	37,506
Accumulated Amortization											
Opening balance	-	1,952	6,374	506	19,543	584	6,111	1,194	200	7,315	43,779
Amortization	-	4	297	9	553	201	375	60	15	1,437	2,951
Disposals	-	-	(2)	-	(17,417)	-	(971)	-	(22)	(27)	(18,439)
Ending Balance	-	1,956	6,669	515	2,679	785	5,515	1,254	193	8,725	28,291
Net Book Value	186	62	3,242	318	2,173	302	1,893	449	5	585	9,215

6. DEFERRED REVENUE

				2024
	ILC, GED, Mathify and Online Courses	Donations and sponsorships	Transmitter tower rental and maintenance	Total
Balance, beginning of year	7,562	1,774	230	9,566
Opening adjustment, adoption of PS 3400 (note 2)	1,206	-	-	1,206
Amounts received during the year	9,895	568	1,103	11,566
Amounts recognized as revenue during the year	(8,358)	(1,251)	(1,096)	(10,705)
Balance, end of year	10,305	1,091	237	11,633

				2023
	ILC, GED and Mathify	Donations and sponsorships	Transmitter tower rental and maintenance	Total
Balance, beginning of year	6,231	2,103	213	8,547
Amounts received during the year	6,476	997	757	8,230
Amounts recognized as revenue during the year	(5,145)	(1,326)	(740)	(7,211)
Balance, end of year	7,562	1,774	230	9,566

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received for the purpose of acquiring capital assets.

To ensure the Authority's technical capital assets keep pace with technological changes and can be maintained or replaced when needed, the Capital Renewal Fund (CRF) was established in 1984. Up until March 31, 2009, the Authority set aside up to 2% of the funding received as a contribution to the CRF. The balance in the CRF represents funds set aside for the purchase of technical capital assets.

The changes in the deferred capital contributions balance are as follows:

			2024
	Capital Renewal Fund*	Other Capital Contributions	Total
Deferred capital contributions, beginning of year	3,614	2,228	5,842
Investment income	200	-	200
Online course development	-	16	16
Over-the-air transmissions	(412)	412	-
Production equipment	(343)	343	-
Systems Infrastructure	(502)	502	-
Amortization of deferred capital contributions	-	(531)	(531)
Deferred capital contributions, end of year	2,557	2,970	5,527

			2023
	Capital Renewal Fund*	Other Capital Contributions	Total
Deferred capital contributions, beginning of year	3,493	3,072	6,565
Additions to deferred capital contributions	121	-	121
Amortization of deferred capital contributions	-	(844)	(844)
Deferred capital contributions, end of year	3,614	2,228	5,842

* unspent funds

8. EMPLOYEE FUTURE BENEFITS

Pension Benefit Costs

The Public Service Pension Plan (PSPP) is a contributory defined benefit plan. PSPP members receive benefits based on length of service and the average annualized earnings during the five consecutive years that provide the highest earnings prior to retirement, termination or death. The PSPP is funded by contributions from participating employers and members, and by the investment earnings from the Public Service Pension Fund. Contributions from members and employers are remitted to the Ontario Pension Board (OPB).

The Agency's full-time employees participate in the PSPP which is a defined benefit pension plan for employees of the Province and many provincial agencies. The Agency's annual payment of \$2.315 million (2023 - \$2.193 million) is included in expenses of each department in the Statement of Operations and in employee benefits in Note 10.

Post-employment Benefits Plan:

The Authority offers post-employment benefits such as health care, dental care, and life insurance on a shared cost basis to persons hired before January 1, 2018. This plan is no longer offered to staff hired on or after January 1, 2018.

The most recent actuarial valuation for funding purposes of the other post-employment benefits plans was performed as of December 31, 2022.

Information about the Authority's Post-employment Benefits Plan is presented in the following tables.

	Post-employment Benefits Plan	
	2024	2023
Accrued benefit obligation	9,952	9,246
Balance of unamortized actuarial losses as of January 1	5,180	6,512
Contributions – January 1 to March 31	(97)	(99)
Employee future benefits liability as at March 31	15,035	15,659
(Income)/Expenses for the year:		
Service cost - employer portion	154	232
Amortization of actuarial gains	(859)	(559)
Interest cost on accrued benefit obligation	469	374
Total (income)/expenses	(236)	47
Contributions made to the plans:		
Contributions – Authority	300	271

The significant assumptions adopted in measuring the employee benefit obligations expenses are as follows:

	Post-employment Benefits Plan	
	2024	2023
Discount rate to determine the accrued benefit obligation	4.70%	5.10%
Discount rate to determine the benefit cost	4.70%	5.10%
Health cost rate increase	4.50%	4.50%
Drug cost rate increase	5.54%	5.54%
Dental cost rate increase	4.50%	4.50%
Employee average remaining service lifetime (years)	9	10

9. ASSET RETIREMENT OBLIGATION

The Authority recognized a liability for future decommissioning of its transmitter facilities which was required under their respective leases. In determining the fair value of its asset retirement obligation, the Authority discounted the associated cash flows at credit-adjusted risk-free rates. The total undiscounted amount of the estimated future obligation is \$1,042,000 (2023 – \$960,000).

	2024	2023
Balance, beginning of year	546	244
Additions	35	276
Accretion expense	28	26
Balance, end of year	609	546

10. EXPENSES

(a) Allocated Expenses

The Authority allocates office lease and other shared expenses to major activities based on usage as follows:

	2024	2023
Content and programming	688	662
Independent Learning Center, General Education Development Testing and Mathify	778	657
Technical and production support services	637	631
Management and general expenses	505	538
Donations and sponsorships	83	83
	2,691	2,571

(b) Expenses by Function

The Statement of Operations reports on expenses by major activity. Expenses by type are as follows:

	2024	2023
Salaries and wages	38,662	37,234
Employee benefits	7,702	5,913
Employee future benefits	(236)	47
Licences and other	9,702	9,233
Other services	4,698	3,339
Amortization of capital assets and accretion expense	2,053	2,977
Facilities	3,579	3,468
Transportation and communication	1,427	1,426
Advertising	2,098	2,303
Supplies and equipment	181	221
	69,866	66,161

11. RELATED PARTY TRANSACTIONS

The Authority is a Crown Corporation of the Province of Ontario and is therefore a related party to other organizations that are controlled by or subject to significant influence by the Province. Transactions with related parties were recorded at exchange amounts agreed to by the related parties.

The Authority received revenue from Ontario school boards for Independent Learning Centre (ILC) course fees. Non-grant revenues received from related parties during the year are as follows:

	2024	2023
Ontario school boards	287	336

Amounts to be returned to the Ministry of Education for contracts where the funding exceeded the expenses are as follows:

	2024	2023
Accounts payable and accrued liabilities - Ministry of Education	584	4,197

Amounts committed to be paid to the Authority as government funding are as follows:

	Note	2024	2023
Accounts receivable - Ministry of Education	3	-	3,354

12. COMMITMENTS

The Authority has entered into operating lease commitments which span multiple years for transmission facilities, offices and equipment. Future lease payments are as follows:

	Office Lease	Other	Total
2025	938	954	1,892
2026	938	456	1,394
2027	938	299	1,237
2028	391	80	471
	3,205	1,789	4,994

The office lease expires on August 31, 2027 with options to extend the lease to August 31, 2047.

13. CONTINGENCIES

Management does not expect that the outcome of any claims against the Authority will have a material and adverse effect on its results and does not believe any provisions for losses are necessary at this time. No amounts have been recognized in the accounts for claims made by or against the Authority. Any settlements will be accounted for at the time of settlement.

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's method of presentation.