Private Training Corporation Annual Report

January 1, 2025 - December 31, 2025

Newfoundland & Labrador

CHAIRPERSON'S MESSAGE

Honourable Paul Dinn
Minister of Education and Early Childhood Development
West Block, Confederation Building
P.O. Box 8700
St. John's, NL
A1B 4J6

Dear Minister:

As Chair of the Private Training Corporation, a Category Three government entity, I am pleased to submit the 2025 Annual Report of the Private Training Corporation. This report covers the 2025 calendar year and compares actual results to those anticipated in the third year of the Corporation's 2023-2025 Activity Plan and in accordance with the **Transparency and Accountability Act.**

My signature below is on behalf of the Corporation and is indicative of its accountability for the actual results reported herein.

Respectfully submitted,

EDWARD GERARD DUGGAN
Chairperson

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Overview

The Private Training Corporation was created to ensure that students attending private training institutions are protected in the event of a school closure. To achieve this, the Corporation monitors the fiscal health of institutions and manages a Train Out Fund (the Fund) established under the **Private Training Institutions Act**. The purpose of the Fund is to ensure that, in the unfortunate event a private training institution closes, appropriate financial resources are available to enable affected students to complete their course of study.

Mandate

The Private Training Corporation was established in 1999 and, pursuant to Section 5.1 of the Act, has the mandate to:

- Administer the Fund established under the Act;
- Make recommendations to the Minister with respect to:
  -the operation of the Act and the Regulations,
  -the financial stability of a private training institution based upon a review of annual audited financial statements of that institution as required by the Minister,
  -any other issues that the Minister may require to be reviewed; and,
- Perform other duties as required by the Minister.

Vision

The vision of the Private Training Corporation is that of students graduating from financially viable private training institutions.

Private Training Institutions

Twenty registered private training institutions operated in the province as of December 31, 2025. All institutions are required to register and fully comply with the Act and Regulations. A complete listing of the registered private training institutions can be found in Annex A.

Membership

Under Section 4(3) of the **Private Training Institutions Act** the Lieutenant-Governor in Council appoints the membership of the Private Training Corporation Board of Directors (the Board). Section 3(1) of the **Private Training Institutions Regulations** specifies the Board's composition.

As of December 31, 2025, the membership of the Board was:

- Chair and Community Representative, Mr. Edward Gerard Duggan;
- Community Representative, Mr. Paul Dubé;
- Representative of the Department of Education and Early Childhood Development, Ms. Tracy Stamp;
- Representative of the Department of Finance, vacant;
- Representative of the Newfoundland and Labrador Association of Career Colleges, Mr. Ian Stokes;
- Owner or operator of a private training institution, Mr. Serge Cormier; and
- Student of a private training institution, vacant

Employees and Location

The Division of Literacy and Institutional Services provides policy analysis and support to the Corporation in consultation with other divisions of the Department of Education and Early Childhood Development. The billing and collection of fees, as well as the preparation of correspondence, is completed on a contractual basis. Office expenses, while reflected separately on the audited financial statement, are included as part of that contract.

The Corporation leases no premises and the Board usually meets at the Confederation Building in St. John's. Since the outset of the COVID-19 pandemic the Board has held meetings remotely via Microsoft Teams. Correspondence may be forwarded to:

Mr. Gerard Duggan
Chair, Private Training Corporation
c/o Division of Literacy and Institutional Services
Department of Education and Early Childhood Development
P.O. Box 8700. St. John's, NL A1B 4J6
Attn: Mr. Jeremy Earle, Manager (A) of Private Training

Revenues and Expenditures

Pursuant to the Act, institutions must remit one per cent of collected tuition revenue to the Private Training Corporation for the Fund. The Corporation collected contributions from the private training institutions and recorded revenues of $299,832 in 2025, down slightly from 2024 ($307,451) showing year over year consistency in tuition revenues from private training institutions. Expenditures for the Private Training Corporation in 2025 were $18,415 as compared to $17,960 in 2024. This amount has increased slightly year over year, again reflective of year over year consistency. Normal operational costs continue to reflect reduced travel-related expenses as most engagement was conducted remotely.

Board members are not remunerated. Eligible meeting expenses are paid from the Fund. This is permitted by the legislation which specifies that the Fund may be utilized to pay expenses incurred by board members to carry out work of the Board.

There were no claims made on the Fund during 2025. As of December 31, 2025, the total value of the Train Out Fund was $8,269,066.

Highlights and Partnerships

Highlights

The Private Training Corporation (PTC) had a generally unremarkable year in terms of challenges in 2025. Focus has been on conservative fund management and the ongoing review of the health of the industry. Operational and Board level activities have occurred primarily leveraging remote tools. Enrollment in private training institutions has been consistent from 2024 to 2025. The near-term outlook is positive, pointing to conservative growth, thus likely not negatively impacting the future total incoming amounts to the fund. It is expected that enrollment numbers will be maintained at current levels, or even increase slightly. Interest rates have decreased, and thus returns and growth for the fund may slow accordingly as the PTC still maintains a low-risk investment approach.

Partnerships

The Corporation achieves its mandate in partnership with the Department of Education and Early Childhood Development to ensure compliance with regulatory requirements related to the work of the Corporation and private training institutions.

Opportunities and Challenges

Opportunities

The Board is looking for opportunities to modernize some of the Corporation's functions, specifically in digital document management in order to increase efficiencies and to more easily align with information management and document management policies. Initial consultation with the Office of the Chief information Officer (OCIO) for guidance in this regard has occurred.

Fund management has been prudent, resulting in consistent growth. The Board is considering the implementation of a funding plan that would further define policies related to fund activities and investment approach.

Access to certain financial information such as funds owing from shareholders and/or associated companies of a private training institution, and audits of the 1% fees paid in a year by a private training institution, would allow for greater risk oversight. The Board will make recommendations to the Minister for possible regulations changes that could allow for this.

Challenges

Institutions have expressed challenges with obtaining audited statements within the required three-month time frame. Consistent with its mandate to review audited financial statements and advise the Minister on matters affecting the financial oversight of registered private training institutions, the Board will continue to monitor this issue and consider whether any process improvements or recommendations to the Minister may be warranted to support timely compliance while maintaining appropriate financial accountability.

Report on Performance

The Corporation's 2023-2025 Activity Plan identified the effective management of the Fund and effective monitoring of financial data as the key areas of focus for the Corporation. It also included performance measurement information to assist both the Board and the public in monitoring and evaluating progress in meeting these objectives.

<table>
<tr><th colspan="2">ISSUE 1: Effective Management of the Train Out Fund</th></tr>
<tr><td colspan="2">The purpose of the Train Out Fund is to ensure that, in the unfortunate event a private training institution closes, appropriate financial resources are available to facilitate completion of students' courses of study. Under the Private Training Institutions Act, all institutions are required to submit one per cent of tuition fees collected for the fund. With respect to the Private Training Corporation, the following objective is the focus for each of the calendar years ending December 31, 2023, 2024, and 2025. This objective will be reported upon in each of the respective annual reports.</td></tr>
<tr><td>Objective:</td><td>The Private Training Corporation will continue to maintain an appropriate system for the collection and confirmation of fees from private training institutions.</td></tr>
<tr><td>Indicators:</td><td>100 per cent of required fees collected from private training institutions.</td></tr>
<tr><td>Results:</td><td>1. During 2025, as with previous years, the Private Training Corporation maintained a timely and accountable system for billing and collecting fees from all registered private training institutions across the province.
2. All institutions remitted their fees, in accordance with the Act. Fees were deposited to the Fund and the Fund was audited to ensure the Corporation's financial statements were accurate and complete.</td></tr>
</table>

ISSUE 2: Effective Monitoring of Financial Data	
The Private Training Corporation is tasked with the review of audited financial statements for all registered private training institutions. Under the **Private Training Institutions Act**, the Corporation is responsible for making recommendations to the Minister regarding the financial stability of registered private training institutions based on the review of the audited financial statements. With respect to the Private Training Corporation, the following objective is the focus for each of the calendar years ending December 31, 2023, 2024, and 2025. This objective will be reported upon in each of the respective annual reports.	
Objective:	The Private Training Corporation will continue to maintain an appropriate review and feedback mechanism of the audited financial statements for all registered private training institutions.
Indicators:	1. Reviewed annual audited statements of all registered private training institutions. 2. Where required, made recommendations to the Minister on the financial stability of a registered institution.
Results:	1. As of December 31, 2025, 20 of the 20 audited financial statements due during 2025 were received and reviewed by the Private Training Corporation. Follow-up was initiated with the one institution whose financial statements required follow-up or clarification and were subsequently determined satisfactory. 2. During 2025, no formal recommendations to the Minister on the financial stability of a registered private training institution were required. Recommendations are only made following the review of financial statements where significant concerns are noted with respect to financial stability.

<table>
<tr><td colspan="2">ISSUE 3: Effective Operation of the Private Training Institutions Act and Regulations</td></tr>
<tr><td colspan="2">The Private Training Corporation Board may choose from time to time to identify any other issues that the Minister may require to be reviewed. This is achieved at the Board level via Board meetings, special meetings and other dialogue in person, remotely or via email. The Board will consider the operation of the act and regulations and, where required, make recommendations to the Minister. With respect to the Private Training Corporation, the following objective is the focus for each of the calendar years ending December 31, 2023, 2024, and 2025. This objective will be reported upon in each of the respective annual reports.</td></tr>
<tr><td>Objective:</td><td>The Private Training Corporation Board will have made recommendations, as required, on the operation of the Private Training Institutions Act and Regulations.</td></tr>
<tr><td>Indicators:</td><td>1. Reviewed any relevant Corporation operational challenges and industry trends.
2. Where required, make recommendations to the Minister.</td></tr>
<tr><td>Results:</td><td>1. As of December 31, 2025, the Corporation has engaged with Departmental Information Management (IM) staff to initiate standard document management processes for the Corporation.
2. During 2025, the Board maintained its previous recommendations to the Minister to consider relative to the processes associated with the operation of the train out fund.</td></tr>
</table>

Financial Statements

The Corporation's financial statements for 2025 were audited by the accounting firm Noseworthy Chapman and are included in Annex B. The Auditor's Report for the fiscal year ending December 31, 2025 demonstrates the Corporation's accountability to the people of the province.

Conclusion

In accordance with the Corporation's mandate and **Private Training Institutions Act**, the Corporation has maintained a financial safety net so that students who have entered a course of study are able to complete their training even in the event of an institution's closure. Through the review of audited statements and ongoing collection of fees, the Corporation endeavors to maintain this financial safety net.

Annex A
List of Registered Private Training Institutions

Registered private training institutions in Newfoundland and Labrador as of December 31, 2025.

Private Training Institution	*Campus location*
Academy Canada	Corner Brook
Academy Canada	St. John's
BAC Training Centre Inc./BAC Masonry College	Conception Bay South
Boilermakers Industrial Training Centre Inc.	Holyrood
Canadian Training Institute	Bay Roberts
Carpenter Millwright College Inc.	Paradise
Central Training Academy	Badger
DieTrac Technical Institute	Lewisporte
Gander Flight Training	Gander
Ironworkers Education & Training Co. Inc.	Mount Pearl
Keyin College	Bay Roberts
Keyin College	Gander
Keyin College	Grand Falls-Windsor
Keyin College	St. John's
Keyin College	Stephenville
Newfoundland and Labrador Heat and Frost Insulators Training Centre	St. John’s
Operating Engineers College	Holyrood
Random Sound Paramedicine	Clarenville
U.A. Training Centre	Mount Pearl
Vanstone Scott College	St. John’s

Annex B
Financial Statements

PRIVATE TRAINING CORPORATION

Financial Statements

Year Ended December 31, 2025

PRIVATE TRAINING CORPORATION
Index to Financial Statements
Year Ended December 31, 2025

NOSEWORTHY CHAPMAN
chartered professional accountants

A: Suite 201, 516 Topsail Rd / St. John's NL / A1E 2C5
T: 709.364.5600 F: 709.368.2146 W: noseworthychapman.ca

INDEPENDENT AUDITOR'S REPORT

To the Members of Private Training Corporation

Opinion

We have audited the financial statements of Private Training Corporation (the "organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenditures, 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 December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 ASNPO, 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:

(continues)

NOSEWORTHY CHAPMAN
chartered professional accountants

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T: 709.364.5600 F: 709.368.2146 W: noseworthychapman.ca

Independent Auditor's Report to the Members of Private Training Corporation *(continued)*

- 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.

Noseworthy Chapman

Chartered Professional Accountants
St. John's, NL
April 7, 2026

PRIVATE TRAINING CORPORATION

Statement of Financial Position

December 31, 2025

		2025		2024
ASSETS				
CURRENT				
Cash	**$**	**3,101**	$	2,203
Accounts receivable from private training institutions		**54,839**		79,458
Short term investments *(Note 4)*		**7,437,105**		4,636,856
		7,495,045		4,718,517
LONG TERM INVESTMENTS *(Note 5)*		**778,621**		2,978,075
	$	**8,273,666**	$	7,696,592
LIABILITIES				
CURRENT				
Accounts payable	**$**	**4,600**	$	4,400
NET ASSETS				
Train out fund		**8,269,066**		7,692,192
LIABILITIES AND NET ASSETS	**$**	**8,273,666**	$	7,696,592

ON BEHALF OF THE BOARD

__________________________________ *Director*

__________________________________ *Director*

See notes to financial statements

PRIVATE TRAINING CORPORATION

Statement of Revenues and Expenditures

Year Ended December 31, 2025

		2025		2024
REVENUES				
Contributions from private training institutions	**$**	**299,832**	$	307,451
Interest income		**295,457**		223,480
		595,289		530,931
EXPENDITURES				
Professional fees		**16,500**		16,100
Office		**1,915**		1,860
		18,415		17,960
EXCESS OF REVENUES OVER EXPENDITURES	**$**	**576,874**	$	512,971

See notes to financial statements

PRIVATE TRAINING CORPORATION
Statement of Changes in Net Assets
Year Ended December 31, 2025

	2025	2024
NET ASSETS - BEGINNING OF YEAR	**$ 7,692,192**	$ 7,179,221
EXCESS OF REVENUES OVER EXPENDITURES	**576,874**	512,971
NET ASSETS - END OF YEAR	**$ 8,269,066**	$ 7,692,192

See notes to financial statements

PRIVATE TRAINING CORPORATION

Statement of Cash Flows

Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Cash receipts from private training institutions	**$ 324,451**	$ 277,005
Cash paid to suppliers	**(18,215)**	(17,960)
Interest received	**295,457**	223,480
Cash flow from operating activities	**601,693**	482,525
INVESTING ACTIVITIES		
Increase in short term investments	**(2,800,249)**	(1,759,617)
Decrease in long term investments	**2,199,454**	1,276,136
Cash flow used by investing activities	**(600,795)**	(483,481)
INCREASE (DECREASE) IN CASH	**898**	(956)
Cash - beginning of year	**2,203**	3,159
CASH - END OF YEAR	**$ 3,101**	$ 2,203

See notes to financial statements

1. PURPOSE OF THE ORGANIZATION

Private Training Corporation (the "organization") is incorporated without share capital under the Private Training Institutions Act of Newfoundland and Labrador. The purpose of the organization is to operate a Train Out Fund to provide compensation to students to complete their training where a private training institution fails to fulfil its training to students due to closure and to monitor the financial operations of all private training institutions. Private training institutions make contributions to the Fund based on a percentage of student tuition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Cash

Cash includes cash on hand and balances with financial institutions, net of overdrafts.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

The organization follows the deferral method of accounting for contributions.

Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized on the accrual basis as earned.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Examples of significant estimates include:

- the allowance for doubtful accounts
- the recoverability of long term investments

Management does not expect these significant estimates to change materially in the near term.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2025.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its interest bearing investments.

Unless otherwise noted, it is management’s opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

4. SHORT TERM INVESTMENTS

Investments consist of guaranteed investment certificates and a market-linked guaranteed investment certificate and are measured at fair value based upon the market value at year end which includes accrued interest. Maturity dates range from March 13, 2026 to December 14, 2026, with interest rates from 0.6904% to 3.75% and a potential maximum of 15%.

5. LONG TERM INVESTMENTS

Investments consist of guaranteed investment certificates measured at fair value based upon the market value at year end which includes accrued interest. Maturity dates range from January 22, 2027 to February 3, 2027 with interest rates from 3.5% to 3.75%.