



Electrical Contractor Registration Agency of the Electrical Safety Authority

**Financial Update
September 20, 2007**



2007 Fiscal Year – Overview

Revenue

- **ECRA/ESA recognized \$1.2M in revenue from Licensing operations in FY2007 (April 1, 2006 to March 31, 2007).**
- **Licensing revenue is being recognized over the period covered by the Licenses (in accordance with GAAP).**



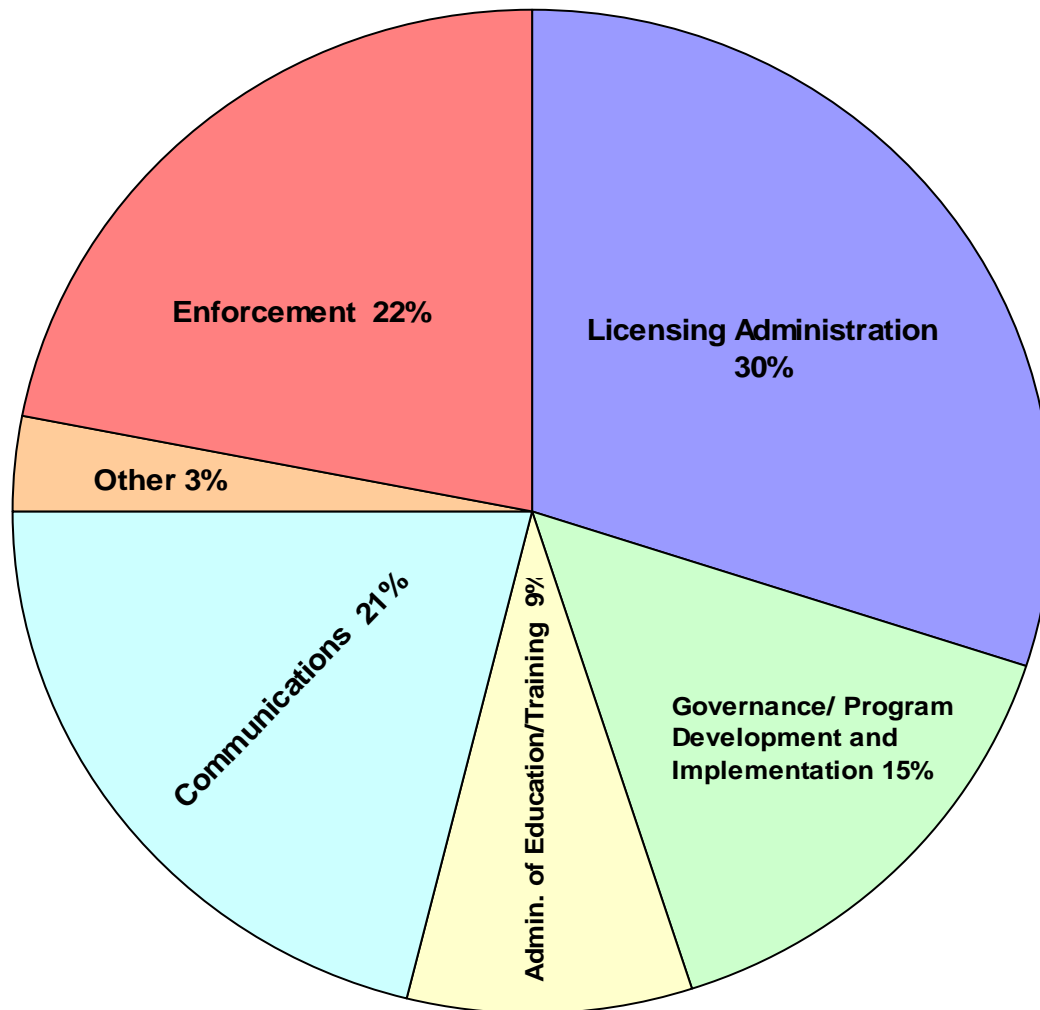
2007 Fiscal Year – Overview (cont'd)

Expenses

- **ECRA/ESA incurred \$1.3M in expenses in the following areas;**
 - Communications
 - Education/Training
 - Governance/Program Development and Implementation
 - Enforcement Development, Training and IT Implementation
 - Licensing Administration
- **As a result, ECRA/ESA expenses exceeded revenue by \$165K at the end of year.**



Breakdown of 2007 Expenses





2006 Fiscal Year - Summary

- **ECRA/ESA expenses exceeded revenue by \$576K.**
- **The deficit in FY2006 (April 1, 2005 to March 31, 2006) was mainly due to expenses being incurred as ECRA/ESA continued to build the Licensing infrastructure, without any significant offsetting revenue.**



Overall Financial Summary

- **ECRA/ESA currently has expenses exceeding revenue by \$741K (\$576K in FY2006 and \$165K in FY2007) overall.**
- **It is not uncommon to have expenses exceeding revenue during the start-up phase.**
- **This deficit is expected to turn around in the next 1 to 2 years.**