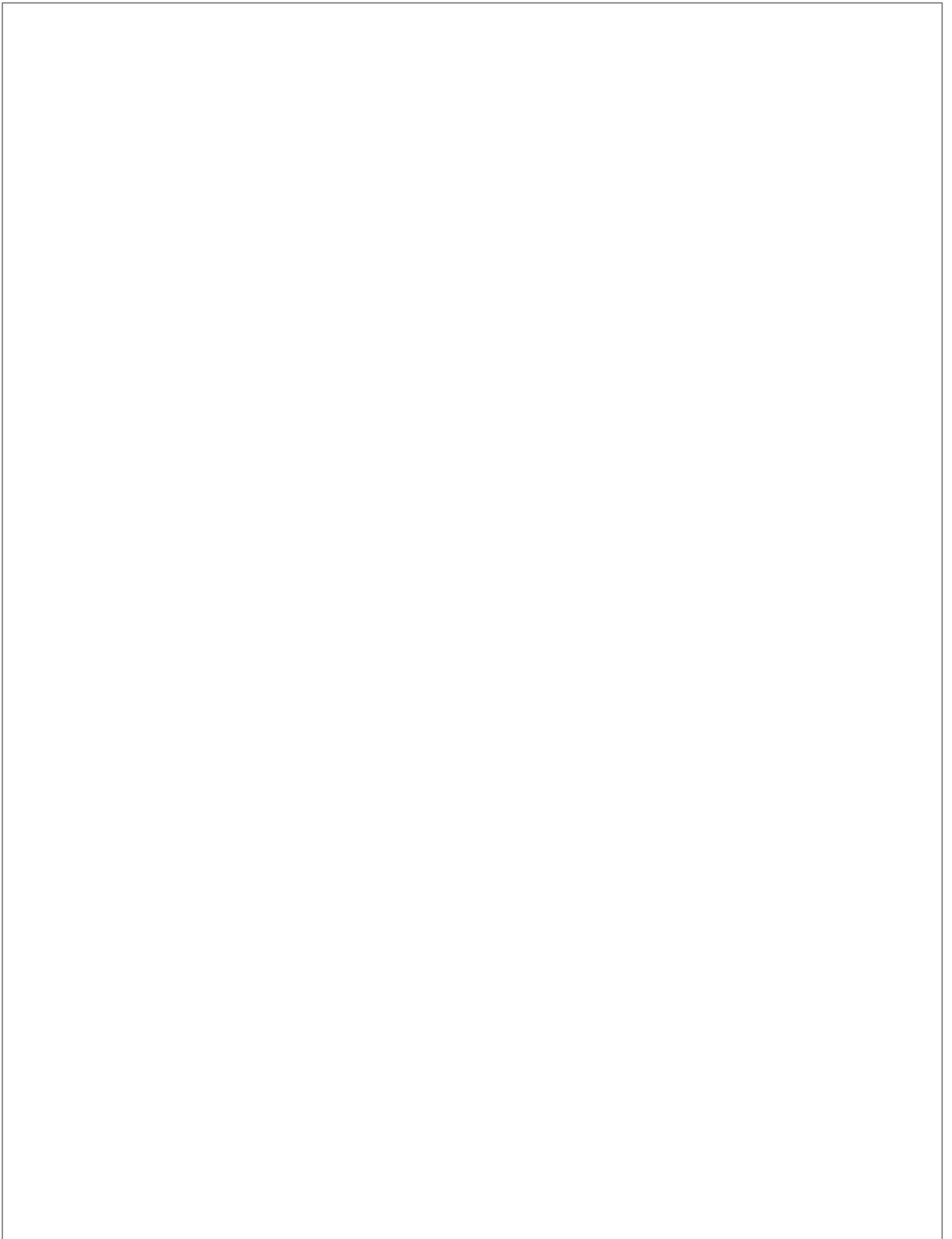




MAKING CONNECTIONS FOR LIFE

2019/2020 ANNUAL REPORT



TOTAL COMMUNICATION ENVIRONMENT
2019/2020 ANNUAL REPORT

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TCE MISSION STATEMENT

TCE believes that all people, including those with disabilities and augmented communication needs, have the right to live as active members of their community.

TCE facilitates and assists each person by providing supports and opportunities to become involved as full community members and to actualize their potential.

TCE envisions a community which welcomes its members, not in spite of their differences, but to celebrate these and to appreciate the contributions of all its citizenship.

TCE BOARD OF DIRECTORS

June 24, 2019 AGM to November 30, 2020 AGM

Lacey Sheng, Chairperson

Aline Abi-Khalil, Treasurer until December 2019

Ibithal Ridha, Treasurer beginning December 2019

Susan Seally, Vice-Chairperson for June 2019

Coreen Blackburn, FSN Representative

Christopher Wilson

Kenneth Anderson

Krista Simms

Marge McCabe

Pawel Mazurek

TOTAL COMMUNICATION ENVIRONMENT

CHAIR REPORT – JUNE 2019 TO NOVEMBER 2020

Thank you everyone who was able to join our virtual Annual General Meeting 2020. Hosting this AGM online is one of the many unique challenges that TCE faced, during the global COVID-19 pandemic. It has been a busy year combating the virus, and protecting the people we support.

We have made progress for many of the strategic initiatives:

The Housing Committee has represented TCE and established meaningful partnership in the community. Committee members went through workshops and met with our housing consultants to learn more about the upcoming opportunities and challenges in the sector.

The Human Resource Committee has done significant work behind the scenes to better align the organization with best practices. The Chair of the Human Resources Committee Susan, also our Vice Chair, has decided to retire from her time with TCE after her multiple terms ending this year. Thank you, Susan, for your leadership in this key position and many achievements.

Following Moriah's departure, the Nominations Committee selected Ibtidha as her replacement. Ibtidha was elected under the conditions of obtaining her professional designation. In the meanwhile, Aline served as the interim treasurer shortly before she started her maternity leave. I am happy to report that Ibtidha has successfully obtained her designation and has been serving as the Treasurer in the past few months. Thank you to Moriah and Aline for setting TCE up for another year of financial success. Also thank you Ibtidha for your great work as the new treasurer.

TCE lost a long serving board member and founder in the year of 2019. Christine Wilson's passing saddened the community, as she touched hundreds of peoples' lives with her most generous heart. She will be greatly missed.

During the COVID-19 pandemic, I continue to be amazed by the dedication and thoughtfulness of the Board. They are committed volunteers whose insights and guidance make my position as Chair an easy one.

It has been a year of gratitude toward our amazing team at TCE.

We would like to thank the frontline workers for doing such amazing work during this difficult time. We would like to thank the people we support and their families for your understanding and kind words. We would like to thank the management and administration team for going above and beyond to ensure TCE's success.

We would like to thank the donors for their selfless contributions that resulted in positive impact on people's lives.

We would like to thank you all for a great year. We hope that things will resume to normal, and we will be able to meet in person soon.

Lacey Sheng
Chairperson

TOTAL COMMUNICATION ENVIRONMENT EXECUTIVE DIRECTOR ANNUAL REPORT APRIL 1, 2019 – MARCH 31, 2020

Housing:

- Focus at the beginning of the year was on housing, our current stock and future directions
- MCCSS hired a third party to do an assessment of all housing stock to determine status of each property
- Board Housing workshops with Management Team to develop a TCE Housing Plan, including divestment of some capital stock
- Formalized partnership with Nepean Non-Profit Housing for the new Dunbar Apartment Project - 2022/23
- Three one-bedroom and three two-bedroom accessible or visitable units with technology built-in
- Units will support a combination of people currently living at TCE and others in the community

Demographics:

Location	# over 50	Medical Needs	Mental health needs	# of Beds	# of People
Residential Supports	36	21	29	77	75
Long-term Care Outreach	11	11		11	9
Home share	1	1	1	2	2
TOTAL	48	33	30	90	86

Human Resources:

▷ FULL-TIME	64	
▷ PART-TIME	104	
▷ CALL IN	10	
▷ WORK CREW		11

TURNOVER RATE 2.65%

TOTAL 189

COMPLIANCE & QUALITY ASSURANCE MEASURES (QAM)

All employees and Board members are required to review the Quality Assurance Measures annually.

TCE’s Annual Ministry QAM Compliance Review held on June 17 -24, 2019 resulted in a Compliance Letter June 24th stating that TCE was in compliance with Ontario regulation 299/10 of the *Services & Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act 2008 (SIPDDA)*.

PERSON-CENTRED REVIEWS & TRAINING (PCT)

TCE's future planning and direction is guided by person-centred approaches.

PCT was rolled out in January and 40 employees trained

14 person-centred reviews have been conducted

Training and reviews have been put on hold due to COVID

TCE PLANNING

Information was reviewed from initial PCT meetings

A significant number wanted to retire, stay home part-time, or have different goals (leisure, volunteer, work)

This led to a restructuring plan to convert schedules to 24/7 for all homes, leaving one dedicated Community Participation Support site.

THE OTTAWA DEVELOPMENTAL SERVICES NETWORK (ODSN)

ANNUAL PLANNING

Priority Issues for the year:

- Human Resources/Recruitment
- Family Engagement & Communication
- Respite Services
- Affordable Housing

TCE is participating in the Family Engagement & Communication and Human Resources & Recruitment Committees.

COVID-19

- Onset of pandemic in March was rapid and dramatic
- New requirements, directives, guidelines, screening tools and orders issued regularly
- Challenging to keep up with but direct service staff and program supervisors did an excellent job and continue to do so
- Employees away on leaves of absence for medical reasons related to themselves or a family member, for eldercare or childcare, or later on because they were required to choose one Employer.
- Protective Personal Equipment (PPE) was a major focus
- Process is now provincially coordinated by Ontario government
- Contingency plans for every potential scenario for both individuals, homes and staff were developed
- One case of COVID (staff member) in March
- Restructuring was put on hold
- Community participation support staff and long-term care outreach staff were re-deployed to work in the homes
- # of homes that staff can work at restricted to limit potential spread
- There are still times when staff are required to work at other homes if no one else is available
- Updates and changes to screening tools, visitor guidelines are adjusted based on risk and better understanding of the virus
- It has been very challenging for everyone: the people we support, their families and our staff members

COVID-19 continued:

- There is no new information at this point about visitor guidelines and what to expect over the holidays
- Overall, the people we support are doing remarkably well
- It has been stressful for direct service staff, particularly part-time who are used to picking up extra hours and due to COVID and restrictions have reduced hours
- Staff who are parents are juggling school-aged children being sent home due to quarantine or illness

THE FUTURE

- Enhanced resources mental health and other resources exist for both our employees and the people we support
- TCE is moving ahead with the restructuring to provide more clarity and certainty for employees about their future positions
- All homes will have 24/7 schedules and there are no plans to re-open a large group community participation site at Colonnade

THINGS TO CELEBRATE

- Seniors were able to retire
- Crew Cuts added several more part-time workers to payroll
- Passport funds/Special fund allowed individuals to hire a Support Worker for person-centred activities, buy otherwise unaffordable purchases, explore new interests
- Drive-by Birthday Parties, new laptops, games galore, crafting, yoga.....
- Support, appreciation and visits from families, treats and goodies
- Use of a cottage for a home, pool parties at others (without anyone else)
- Zoom music, dance parties and live concerts
- Lots of chefs with more time to cook and bake
- Halloween decorating contests
- Connecting through social media with friends, family and driveway or drive by visits
- Picnics, walks, biking ...
- Learning new skills and hobbies

THANK YOU

Thank you to all of the people who make up TCE for your resilience and commitment during such an extraordinary time.

Thank you to all of the people we support, their families, friends, community partners, supporters and funders for your caring and encouragement over this past year.

Karen Belyea
Executive Director

TOTAL COMMUNICATION ENVIRONMENT TREASURER'S REPORT FOR 2019-2020

New Audit Firm; Welch LLP

New auditor engagement
Selection made after the RFP process
5 year term

Audit Opinion

Clean audit
No significant deficiencies in internal controls were noted

“In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations”

Statement of Operations:

	<u>2020</u>	<u>2019</u>
Revenue		
MCCSS Legal Agreements	\$ 11,297,820	\$ 11,324,196
Residents' fees	1,034,156	934,518
Donations	146,137	74,426
Other income	3,465	5,923
Amortization of deferred funding related to capital assets	<u>148,970</u>	<u>153,900</u>
	<u>12,630,548</u>	<u>12,492,963</u>
Expenses		
Salaries and benefits	10,699,501	10,515,738
Home operation	542,094	606,204
Amortization	148,258	156,383
Personal needs	584,001	589,584
General and administration	97,689	54,042
Vehicle operations	286,444	268,074
Long-term care	118,721	119,234
Purchased services	108,935	117,689
Staff travel	<u>28,841</u>	<u>17,672</u>
	<u>12,614,484</u>	<u>12,444,620</u>
Excess of revenues over expenses	<u>\$ 16,064</u>	<u>\$ 48,343</u>

Statement of Financial Position

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 762,936	\$ 1,112,130
Accounts receivable	188,146	106,824
Prepaid expenses	<u>111,848</u>	<u>14,389</u>
	1,062,930	1,233,343
CAPITAL ASSETS (note 4)	<u>5,057,977</u>	<u>5,131,397</u>
	<u>\$ 6,120,907</u>	<u>\$ 6,364,740</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 822,426	\$ 1,180,126
Deferred revenue	342,353	147,798
Current portion of long-term debt (note 5)	<u>22,526</u>	<u>56,200</u>
	1,187,305	1,384,124
LONG-TERM DEBT (note 5)	161,280	150,226
DEFERRED FUNDING RELATED TO CAPITAL ASSETS (note 6)	<u>2,784,948</u>	<u>2,859,080</u>
	<u>4,133,533</u>	<u>4,393,430</u>
NET ASSETS		
Invested in capital assets	2,089,223	2,065,891
Restricted to capital reserve fund (note 9)	110,806	106,368
Unrestricted deficiency	<u>(212,655)</u>	<u>(200,949)</u>
	<u>1,987,374</u>	<u>1,971,310</u>
	<u>\$ 6,120,907</u>	<u>\$ 6,364,740</u>

A Motion to approve the above financials was passed at the November 30, 2020 Annual General Meeting.

Ibtihal Ridha, CPA, MAcc
Treasurer

**TCE'S AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2019/2020**

FINANCIAL STATEMENTS
For
TOTAL COMMUNICATION ENVIRONMENT
For year ended
MARCH 31, 2020

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

TOTAL COMMUNICATION ENVIRONMENT

Opinion

We have audited the financial statements of Total Communication Environment (the Organization), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

Other Matter

The financial statements of the Organization for the year ended March 31, 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
August 26, 2020.

Welch LLP^s

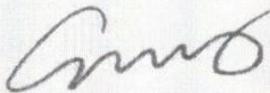
TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF FINANCIAL POSITION

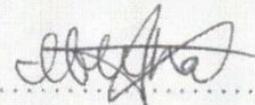
MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
CURRENT ASSETS		
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Unrestricted deficiency	<u>(212,655)</u>	<u>(200,949)</u>
	<u>1,987,374</u>	<u>1,971,310</u>
	<u>\$ 6,120,907</u>	<u>\$ 6,364,740</u>

Approved by the Board:



..... Director



..... Director

(See accompanying notes)

Welch LLP

An Independent Member of BKR International

TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
Revenue		
MCCSS Legal Agreements	\$ 11,297,820	\$ 11,324,196
Residents' fees	1,034,156	934,518
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Other income	3,465	5,923
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	<u>12,630,548</u>	<u>12,492,963</u>
Expenses		
Salaries and benefits	10,699,501	10,515,738
Home operation	542,094	606,204
Amortization	148,258	156,383
Personal needs	584,001	589,584
General and administration	97,689	54,042
Vehicle operations	286,444	268,074
Long-term care	118,721	119,234
Purchased services	108,935	117,689
Staff travel	<u>28,841</u>	<u>17,672</u>
	<u>12,614,484</u>	<u>12,444,620</u>
Excess of revenues over expenses	<u>\$ 16,064</u>	<u>\$ 48,343</u>

(See accompanying notes)

TOTAL COMMUNICATION ENVIRONMENT
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2020

	<u>Invested in capital assets</u>	<u>Restricted to capital reserve fund</u> (note 9)	<u>Unrestricted</u>	<u>2020 Total</u>	<u>2019 Total</u>
Balance, beginning of year	\$ 2,065,891	\$ 106,368	\$ (200,949)	\$ 1,971,310	\$ 1,922,967
Excess of revenue over expenses	-	-	16,064	16,064	48,343
Acquisition (disposal) of capital assets	74,838	-	(74,838)	-	-
Amortization of capital assets	(148,258)	-	148,258	-	-
Net decrease in debt principal (note 5)	22,620	-	(22,620)	-	-
Net change in deferred funding related to capital assets	74,132	-	(74,132)	-	-
Interfund transfer	<u>-</u>	<u>4,438</u>	<u>(4,438)</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 2,089,223</u>	<u>\$ 110,806</u>	<u>\$ (212,655)</u>	<u>\$ 1,987,374</u>	<u>\$ 1,971,310</u>

(See accompanying notes)

TOTAL COMMUNICATION ENVIRONMENT
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 16,064	\$ 48,343
Items not involving cash:		
Amortization of capital assets	148,258	156,383
Amortization of deferred funding relating to capital assets	<u>(148,970)</u>	<u>(153,900)</u>
	15,352	50,826
Changes in non-cash working capital components:		
Accounts receivable	(81,322)	34,890
Prepaid expenses	(97,459)	6,775
Accounts payable and accrued liabilities	(357,700)	517,559
Deferred revenue	<u>194,555</u>	<u>70,979</u>
	<u>(326,574)</u>	<u>681,029</u>
INVESTING ACTIVITIES		
Acquisition of capital assets	<u>(74,838)</u>	<u>(429,165)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(22,620)	(22,343)
Additional deferred funding of capital assets	<u>74,838</u>	<u>384,400</u>
	<u>52,218</u>	<u>362,057</u>
INCREASE (DECREASE) IN CASH	(349,194)	613,921
CASH, BEGINNING OF YEAR	<u>1,112,130</u>	<u>498,209</u>
CASH, END OF YEAR	<u>\$ 762,936</u>	<u>\$ 1,112,130</u>

(See accompanying notes)

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2020

1. NATURE OF OPERATIONS

Total Communication Environment (the "Organization") was incorporated, without share capital, in November 1979 and has continued under the Canada Not-For-Profit Corporations Act. The Organization's mandate is to provide and maintain residential care facilities and activities for individuals with developmental disabilities and special communication needs. As a registered charitable organization, the Organization is not subject to income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Organization follows the deferral method of accounting for contributions for not-for-profit organizations.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or when they become receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Capital assets

Capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of a capital asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Land and buildings are recorded at cost. Buildings are amortized using the declining balance basis at the rate of 5%. Leasehold improvements are amortized on a straight-line basis over the term of the lease.

Vehicles not funded by grants are recorded at cost and amortized using the declining balance basis at the rate of 30% per year.

Office equipment and computer equipment are recorded at cost and amortized on a straight-line basis over five years and three years, respectively.

Capital replacement reserve fund

The fund is to be used for capital replacement and major repair work. The fund is increased by amounts as approved by the Ministry of Children, Community and Social Services ("MCCSS").

Contributed services

Volunteers contribute many hours each year to assist the Organization in carrying out its mandate. However, due to the difficulty in determining their fair value, these contributed services have not been recognized in the financial statements.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period they become known.

Financial instruments

The organization initially records its financial assets and liabilities at fair value. The organization subsequently measures its cash at fair value at the date of the statement of financial position. All other financial instruments are subsequently recorded at cost or amortized cost at the date of the statement of financial position.

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at March 31, 2020.

The Organization does not use derivative financial instruments to manage its risks.

Credit risk

The Organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Organization's maximum exposure to credit risk is the carrying value of its cash and its accounts receivable. The Organization's cash is deposited with a Canadian chartered bank and as a result management believes the risk of loss on this item to be remote. The Organization manages the credit risk of accounts receivable by reviewing monthly aged accounts receivable balances and following up on outstanding amounts. For the year ended March 31, 2020, the Organization believes that all significant accounts are collectible and as such has provided no amounts for doubtful accounts (2019 - \$nil).

Liquidity risk

Liquidity risk is the risk that the Organization cannot meet a demand for cash or fund its obligations as they become due. The Organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations and by anticipating investing and financing activities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Organization's financial instruments are all denominated in Canadian dollars and the Organization transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

As discussed in note 5, the Organization manages this risk by holding long term debt with fixed interest rates.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Organization is not exposed to other price risk.

Changes in risk

There have been no significant changes in the Organization's risk exposures from the prior year.

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

4. CAPITAL ASSETS

Capital assets consist of the following:

	2020			2019
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 2,560,000	\$ -	\$ 2,560,000	\$ 2,560,000
Baxter House (Golden Avenue Residence)	650,026	375,868	274,158	288,588
Anderson Place residence	170,727	69,302	101,425	106,763
Eleanor Drive residence	345,526	238,299	107,227	112,870
Hillmount Crescent residence	400,455	191,208	209,247	220,260
Kirkwood Avenue residence	665,643	389,582	276,061	290,591
Quinn Road residence	665,331	352,930	312,401	328,843
Riverbend residence	615,542	279,967	335,575	353,237
Rosebella residence	283,854	107,005	176,849	186,157
Starwood residence	385,043	91,066	293,977	309,450
Wilson House residence	379,841	213,203	166,638	100,569
Wyman residence	454,106	223,378	230,728	242,871
Leasehold improvements - Kilbarron	116,118	116,118	-	589
- Admin	28,527	27,883	644	2,223
Vehicles	76,318	70,568	5,750	8,215
Office equipment	42,108	42,108	-	-
Computer equipment	116,657	109,360	7,297	20,171
	7,955,822	\$ 2,897,845	\$ 5,057,977	\$ 5,131,397
Accumulated amortization	(2,897,845)			
Net book value	\$ 5,057,977			

Cost and accumulated amortization at March 31, 2019 amounted to \$7,880,984 and \$2,749,587, respectively.

The residence at 644 Golden Avenue, an adult group home, was purchased in 1986 with all of the funding provided by the Lion's Homes for Deaf People ("LHDP"). The deed is in the name of the Organization, however, the Organization has an agreement with LHDP that if the Organization ceases to exist, or ceases to operate the Golden Avenue residence as a group home for deaf multi-handicapped persons, the property will be sold with the net proceeds after mortgage repayment used to repay the funding that was provided by LHDP. In 2005, the residence was rebuilt and re-named Baxter House. In 2016, MCCSS repaid the outstanding balance on this mortgage as part of their funding to the Organization.

The residence at 16 Eleanor Drive, an adult group home, was purchased in 1989 with all of the funding provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, all proceeds from sale will be repaid to MCCSS.

The residence at 5 Eisenhower Crescent (Wilson House), an adult group home, was purchased in 1992 with 80% of the funding provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, 80% of the proceeds from its sale will be repaid to MCCSS.

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

4. CAPITAL ASSETS - Cont'd.

The residence at 2785 Quinn Road, an adult group home, was acquired by way of mortgage financing with assistance from the Ministry of Housing ("MOH"). In 2000, Quinn Road funding was transferred to MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, proceeds from its sale will repay the mortgage holder, with remaining funds paid to MCCSS.

The residence at 575 Kirkwood Avenue, an adult group home, was purchased in 1996 with all of the funding provided by the LHDP. The deed is in the name of the Organization, however, should the Organization cease to exist or cease to operate the residence as a group home for deaf multi-handicapped persons, the property will be sold with all the proceeds from sale returned to the LHDP. During the 2011 fiscal year, additional funding for improvements was received from the Canada Mortgage and Housing Corporation ("CMHC") in the form of a forgivable loan.

The residence at 24 Hillmount Crescent, an adult group home, was purchased in 1999 with all of the funding provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, all proceeds from sale will be repaid to MCCSS. During the 2011 fiscal year, additional funding for improvements was received from CMHC in the form of a forgivable loan.

The residence at 42 Leeming Road (Anderson Place), an adult group home, was acquired by way of mortgage financing with assistance from MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, proceeds from its sale will repay the mortgage holder, with all of the remaining funds to be paid to MCCSS.

The residence at 3554 Wyman Crescent, an adult group home, was purchased in 2005 with all of the funding provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, all of the proceeds from sale will be repaid to MCCSS. In 2014, MCCSS repaid the outstanding balance on this mortgage in full as part of their funding of TCE.

Land on Riverbend Drive was purchased in the 2008 fiscal year with all of the funding provided by MCCSS. The Organization constructed a home at this site which opened in December 2008 as an adult group home. Almost all of the cost of construction was funded by MCCSS. Should the Riverbend residence cease to be used as a group home, all of the proceeds from sale will be paid to MCCSS less the Organization's initial contribution.

The residence at 1838 Rosabella Avenue, an adult group home, was purchased during the 2009 fiscal year with all of the funding provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to operate as a group home, proceeds from its sale will be repaid to MCCSS. In 2014, MCCSS repaid the outstanding balance on this mortgage in full as part of their funding of the Organization.

The residence at 75 Starwood, an adult group home, was purchased in 2014 by way of a mortgage agreement. Funding for payments is provided by MCCSS. The deed is in the name of the Organization, however, should the residence cease to be operated as a group home, all proceeds from sale will be paid to MCCSS. In 2017, MCCSS repaid the outstanding balance on this mortgage as part of their funding to the Organization.

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

5. LONG-TERM DEBT

Long-term debt consists of the following:

	<u>2020</u>	<u>2019</u>
Anderson Place mortgage payable at \$853 monthly including interest at 3.75%, due September 1, 2023	\$ 33,574	\$ 42,550
Quinn Road mortgage payable at \$1,343 monthly including interest at 1.568%, due April 1, 2020 (renewed subsequent to year end to March 31, 2025 at \$1,339 monthly including interest at 2.42%)	<u>150,232</u>	<u>163,876</u>
	183,806	206,426
Less current portion of long-term debt	<u>22,526</u>	<u>56,200</u>
	<u>\$ 161,280</u>	<u>\$ 150,226</u>

Principal repayments required over the next five years are as follows:

2021	\$ 22,526
2022	23,150
2023	23,847
2024	18,533
2025 and thereafter	<u>73,224</u>
	<u>\$ 161,280</u>

6. DEFERRED FUNDING RELATING TO CAPITAL ASSETS

Funds received from the various entities that provided assistance in acquiring or renovating the adult group homes have been recorded as deferred revenue and will be recognized as income at the same rate as the corresponding properties are amortized. Funding and donations received specifically in relation to the acquisition of vehicles are also deferred and are being recognized in income at the same rate as the corresponding vehicles are amortized.

	<u>2020</u>	<u>2019</u>
CMHC funding for Kirkwood Avenue residence	\$ 105,966	\$ 111,543
CMHC funding for Hillmount Crescent residence	55,565	58,490
LHDP funding for Kirkwood Avenue residence	216,649	228,052
MCCSS funding for Anderson Place	44,493	46,835
MCCSS funding for Baxter House	182,689	192,304
MCCSS funding for Eleanor Drive residence	158,075	166,394
MCCSS funding for Hillmount Crescent residence	175,675	184,921
MCCSS funding for Riverbend residence	525,217	552,860
MCCSS funding for Rosabella building	63,946	67,312
MCCSS funding for Starwood building	430,055	452,689
MCCSS funding for Quinn residence	300,420	316,232
MCCSS funding for Wyman Crescent residence	184,553	194,266
MCCSS and private funding for Wilson House residence	169,521	103,604
Private funding for Baxter House	23,166	24,385
Private funding for Riverbend residence	142,586	150,090
Privately donated funding for vehicles	<u>6,372</u>	<u>9,103</u>
	<u>\$ 2,784,948</u>	<u>\$ 2,859,080</u>

During the year ended March 31, 2011, the Organization received a forgivable loan from CMHC relating to renovations for the Kirkwood and Hillmount residences. These loan proceeds have been recorded as deferred revenue under the understanding that there is no reason to believe that the conditions under which the loan will be forgiven would not be met. As such the amounts will be amortized and recognized as revenue on the same basis of the assets to which they relate.

TOTAL COMMUNICATION ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

7. CREDIT FACILITIES

The Organization has a line of credit for financing of up to \$600,000 due on demand. Interest is calculated at bank prime plus 0.90%. As at year end, there was an outstanding balance of \$Nil (2019 - \$Nil) on this line of credit.

8. CONTRACT WITH MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES

A requirement of the contract with MCCSS is the production, by management, of a Transfer Payment Annual Reconciliation ("TPAR") which shows a summary by service of all revenues and expenditures and any resulting surplus or deficit that relates to the contract. The operational surplus for the March 2020 year end after authorized code allocations amounted to \$Nil payable to MCCSS (2019 - \$26,233). During the year, the organization received \$116,760 of funding from MCCSS for the purchase of minor capital. As a result of the COVID-19 pandemic, this money was not spent by year end. MCCSS has approved a one-time extension to September 30, 2020 for the purchase of this equipment. The funding has therefore been included in deferred revenue. Any unspent funds will be returned to the MCCSS.

9. CAPITAL RESERVE FUND

Under the terms of its funding agreement with MCCSS for the Quinn Road and Leeming Road residences, TCE is required to set aside certain funds each year as a reserve. This year, the fund increased by \$4,438 (2019 - increase of \$4,438).

10. CONTINGENCIES

The Organization has been named defendant in a legal action against a human rights complaint. Legal counsel to the Organization assessed a likely settlement of \$35,000.

A provision for this possible loss has been included in these financial statements.

11. COMMITMENTS

The Organization has annual premises, office equipment and vehicle lease commitments over the next five years as follows:

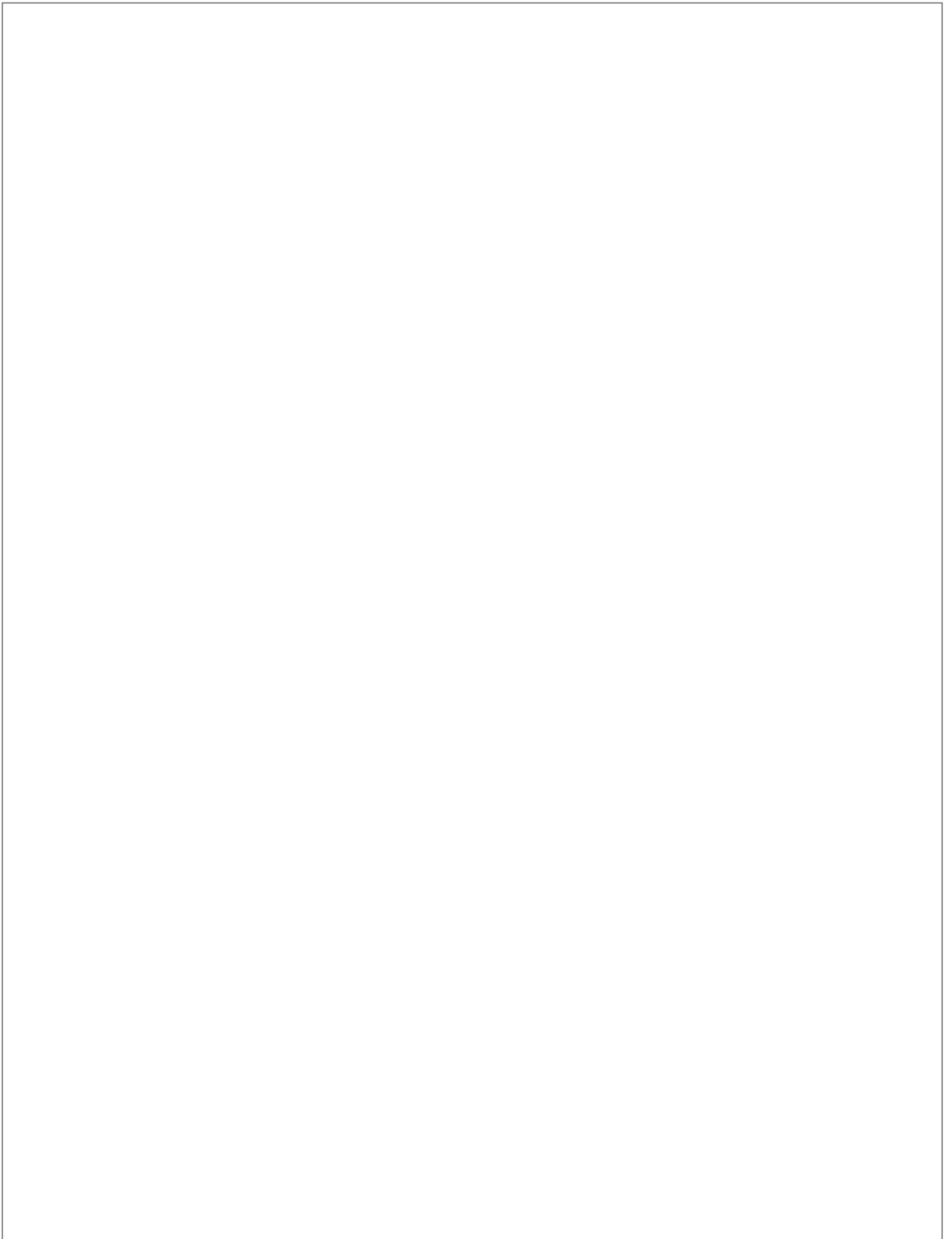
2021	\$ 206,091
2022	154,989
2023	142,096
2024	125,292
2025	24,073

12. ECONOMIC DEPENDENCE

The Organization receives the majority of its revenue from the Ministry of Children, Community and Social Services. In management's opinion, the Organization's continued operations are dependent on the continuance of this funding.

13. COMPARATIVE FIGURES

Comparative figures have been audited by another auditor and have been reclassified to conform to the presentation adopted in the current year.





Homes for individuals with multiple disabilities and special communication needs.

190 Colonnade Road, Suite 100, Nepean, ON K2E 7J5
Tel: 613-228-0999 | Fax: 613-228-1402 | TDD 613-228-8669
www.tceottawa.org | BN: 11926 7714 RR001