TCE
Total Communication Environment

MAKING CONNECTIONS FOR LIFE

2021/2022 ANNUAL REPORT

TOTAL COMMUNICATION ENVIRONMENT

2021/2022 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

October 25, 2021 AGM to June 27, 2027 AGM

Lacey Sheng, Chairperson

Ibithal Ridha, Treasurer

Coreen Blackburn, FSN Representative

Christopher Wilson

Kenneth Anderson

Krista Simms

Marge McCabe

Pawel Mazurek

Amanda Connelley

Theo Tsang

Landon Wilcock

Rida Oulhaj

TOTAL COMMUNICATION ENVIRONMENT

CHAIR REPORT, OCT 2021 TO JUNE 2022

Thank you everyone for joining our virtual Annual General Meeting 2022. A few short months have passed since our last AGM in October. We are happy to return to the June time slot, which was established prior to the pandemic. As Chair of the Board, I would like to thank everyone for their dedication and on-going support.

We have made progress for many of the strategic initiatives:

Working with a consultant, the Governance Committee has led the board, and a group of staff, through the Strategic Planning exercise. The group shared many great conversations and exchanged wonderful ideas during these sessions. As a result, the Board is happy to present a summary of the new Strategic Plan from 2022 to 2025.

The Housing Committee furthered our relationship with strategic partners such as Nepean Housing. Many exciting opportunities are gradually becoming realities with the hard work of this committee.

There has been no new additions to the Board of Directors since we were already at full complement last AGM. I have completely my two terms with TCE and will transition to be an ex-officio member of the board as immediate past chair. Coreen Blackburn, representative from Family Support Network (FSN), has also requested to step down after 3 successful terms. We welcome other FSN members to volunteer for this key position that connects the board with families. All other Board members have decided to stay on. The board has enjoyed great success in recruiting new board members in the past few years. It is my privilege to present a strong and diverse ballot before you today.

It has been a busy year and TCE continues to play its key role in the community. The board would like to extend our gratitude to you:

We would like to thank all frontline workers for your continued hard work, your contribution enriches the lives of the people we support.

We would like to thank our folks and their families for working with us through the third year of this pandemic.

We would like to thank the management and administration team for their constant careful planning and responding to the ever-changing needs of the organization.

We would like to thank the donors for their selfless contributions that allow TCE to do what we do best – supporting our people.

We would like to thank you all for a great year. We hope everyone will enjoy another safe and fruitful year.

Lacey Sheng
Chairperson

TOTAL COMMUNICATION ENVIRONMENT

EXECUTIVE DIRECTOR ANNUAL REPORT
APRIL 1, 2021 – MARCH 31, 2022

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:

Þ FULL-TIME 64
Þ PART-TIME 104
Þ CALL IN 10
Þ 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 and 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 2021-2022

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, te 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:

	2020	2019
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	148,970	153,900
	12,630,548	12,492,963
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	28,841	17,672
	12,614,484	12,444,620
Excess of revenues over expenses	$ 16,064	$ 48,343

Statement of Financial Position

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	$ 762,936	$ 1,112,130
Accounts receivable	188,146	106,824
Prepaid expenses	111,848	14,389
	1,062,930	1,233,343
CAPITAL ASSETS (note 4)	5,057,977	5,131,397
	$ 6,120,907	$ 6,364,740
LIABILITIES AND NET ASSETS		
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)	22,526	56,200
	1,187,305	1,384,124
LONG-TERM DEBT (note 5)	161,280	150,226
DEFERRED FUNDING RELATED TO CAPITAL ASSETS (note 6)	2,784,948	2,859,080
	4,133,533	4,393,430
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	(212,655)	(200,949)
	1,987,374	1,971,310
	$ 6,120,907	$ 6,364,740

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

Ibtihal Ridha, CPA, MAcc
Treasurer

AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2021/2022

FINANCIAL STATEMENTS

For

TOTAL COMMUNICATION ENVIRONMENT

For year ended

MARCH 31, 2022

Welch LLP®

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Welch LLP

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, 2022, 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, 2022 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 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 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.

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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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 20, 2022.

TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2022

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	$ 1,282,020	$ 1,276,650
Accounts receivable	178,048	207,944
Prepaid expenses	39,032	26,532
	1,499,100	1,511,126
CAPITAL ASSETS (note 4)	4,908,894	4,949,478
	$ 6,407,994	$ 6,460,604
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 983,652	$ 872,913
Deferred revenue	317,311	345,440
Current portion of long-term debt (note 5)	23,847	23,150
	1,324,810	1,241,503
LONG-TERM DEBT (note 5)	114,293	138,134
DEFERRED FUNDING RELATED TO CAPITAL ASSETS (note 6)	2,571,928	2,669,488
	4,011,031	4,049,125
NET ASSETS		
Invested in capital assets	2,198,826	2,118,706
Restricted to capital reserve fund (note 9)	119,682	115,244
Unrestricted	78,456	177,529
	2,396,964	2,411,479
	$ 6,407,994	$ 6,460,604

Approved by the Board:

.... Director

.... Director

(See accompanying notes)

Welch LLP

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TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2022

	2022	2021
Revenue		
MCCSS legal agreements	$ 12,099,239	$ 12,110,197
Residents' fees	870,594	1,040,611
Donations	193,063	425,907
Other income	114,639	535
Amortization of deferred funding related to capital assets	161,008	153,533
	13,438,543	13,730,783
Expenses		
Salaries and benefits	11,670,982	11,392,154
Home operation	623,303	613,269
Amortization	153,761	146,571
Personal needs	498,914	581,589
General and administration	66,712	144,374
Vehicle operations	204,541	185,885
Long-term care	67,843	95,275
Purchased services	161,332	141,672
Staff travel	5,670	5,889
	13,453,058	13,306,678
Excess (deficit) of revenues over expenses	$ (14,515)	$ 424,105

(See accompanying notes)

TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2022

	Invested in capital assets	Restricted to capital reserve fund (note 9)	Unrestricted	2022 Total	2021 Total
Balance, beginning of year	$ 2,118,706	$ 115,244	$ 177,529	$ 2,411,479	$ 1,987,374
Excess (deficit) of revenue over expenses	-	-	(14,515)	(14,515)	424,105
Acquisition of capital assets	113,177	-	(113,177)	-	-
Amortization of capital assets	(153,761)	-	153,761	-	-
Net decrease in debt principal (note 5)	23,144	-	(23,144)	-	-
Net change in deferred funding related related to capital assets	97,560	-	(97,560)	-	-
Interfund transfer	-	4,438	(4,438)	-	-
Balance, end of year	$ 2,198,826	$ 119,682	$ 78,456	$ 2,396,964	$ 2,411,479

(See accompanying notes)

TOTAL COMMUNICATION ENVIRONMENT

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2022

	2022	2021
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess (deficit) of revenue over expenses	$ (14,515)	$ 424,105
Items not involving cash:		
Amortization of capital assets	153,761	146,571
Amortization of deferred funding relating to capital assets	(161,008)	(153,532)
	(21,762)	417,144
Changes in non-cash working capital components:		
Accounts receivable	29,896	(19,798)
Prepaid expenses	(12,500)	85,316
Accounts payable and accrued liabilities	110,738	50,487
Deferred revenue	(28,129)	3,087
	78,243	536,236
INVESTING ACTIVITIES		
Purchase of capital assets	(113,177)	(38,072)
FINANCING ACTIVITIES		
Repayment of long-term debt	(23,144)	(22,522)
Additional deferred funding of capital assets	63,448	38,072
	40,304	15,550
INCREASE IN CASH	5,370	513,714
CASH, BEGINNING OF YEAR	1,276,650	762,936
CASH, END OF YEAR	$ 1,282,020	$ 1,276,650

(See accompanying notes)

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, including ministry funding and donations, are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and other income 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. Resident's fees are recognized as revenue for the period during which residential care services are provided.

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. Management makes estimates in determining the collectibility of the organization's accounts receivable and related allowance for doubtful accounts, the useful life of the organization's capital assets and in determining certain significant accruals. 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.

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, 2022.

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, 2022, the Organization believes that all significant accounts are collectible and as such has provided no amounts for doubtful accounts (2021 - $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.

4. CAPITAL ASSETS

Capital assets consist of the following:

	2022			2021
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 2,560,000	$ -	$ 2,560,000	$ 2,560,000
Baxter House (Golden Avenue Residence)	683,236	404,258	278,978	260,451
Anderson Place residence	170,727	79,191	91,536	96,353
Eleanor Drive residence	345,526	248,754	96,772	101,865
Hillmount Crescent residence	426,024	212,888	213,136	198,784
Kirkwood Avenue residence	665,643	416,498	249,145	262,258
Quinn Road residence	665,331	383,390	281,941	296,781
Riverbend residence	615,542	312,686	302,856	318,796
Rosebella residence	283,854	124,248	159,606	168,007
Starwood residence	385,043	119,729	265,314	279,279
Wilson House residence	379,841	229,451	150,390	158,306
Wyman residence	454,106	245,874	208,232	219,192
Leasehold improvements - Kilbarron	116,118	116,118	-	-
- Admin	28,527	28,527	-	-
Vehicles	65,033	37,750	27,283	4,025
Office equipment	42,108	42,108	-	-
Computer equipment	171,246	147,544	23,702	25,381
	$ 8,057,905	$ 3,149,014	$ 4,908,891	$ 4,949,478

Cost and accumulated amortization at March 31, 2021 amounted to $7,993,823 and $3,044,415, 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.

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.

5. LONG-TERM DEBT

Long-term debt consists of the following:

	2022	2021
Anderson Place mortgage payable at $853 monthly including interest at 3.75%, due September 1, 2023	$ 14,911	$ 24,420
Quinn Road mortgage payable at $1,339 monthly including interest at 2.42%, due April 1, 2025	123,229	136,864
	138,140	161,284
Less current portion of long-term debt	23,847	23,150
	$ 114,293	$ 138,134

Principal repayments required until maturity are as follows:

2023	$ 23,847
2024	18,533
2025	14,654
2026	81,106
	$ 138,140

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.

	2022	2021
CMHC funding for Kirkwood Avenue residence	$ 95,635	$ 100,668
CMHC funding for Hillmount Crescent residence	50,148	52,787
LHDP funding for Kirkwood Avenue residence	195,526	205,817
MCCSS funding for Anderson Place	40,155	42,269
MCCSS funding for Baxter House	164,877	173,554
MCCSS funding for Eleanor Drive residence	142,663	150,171
MCCSS funding for Hillmount Crescent residence	182,837	166,891
MCCSS funding for Riverbend residence	474,008	498,956
MCCSS funding for Rosabella building	57,712	60,749
MCCSS funding for Starwood building	388,124	408,552
MCCSS funding for Quinn residence	271,129	285,399
MCCSS funding for Wyman Crescent residence	166,559	175,325
MCCSS and private funding for Wilson House residence	152,993	161,045
Private funding for Baxter House	20,907	22,007
Private funding for Riverbend residence	128,683	135,456
Privately donated funding for vehicles	27,282	4,461
Privately donated funding for computers	12,690	25,381
	$ 2,571,928	$ 2,669,488

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.

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 (2021 - $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 an Annual Reconciliation Report ("ARR") 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 2022 year end after authorized code allocations amounted to $204,890 payable to MCCSS (2021 - $67,303). During the year, the Organization received $97,990 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 an extension to September 30, 2022 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 (2021 - increase of $4,438).

10. COMMITMENTS

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

2023	$ 196,285
2024	158,657
2025	54,837
2026	21,399
2027	6,463

11. 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.

TCE
Total Communication Environment

Homes for individuals with multiple disabilities and special communication needs.

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