

# ANNUAL REPORT

2022-2023

DURHAM

Deaf Services



## Message from the President

Welcome to the 2022-2023 AGM for Durham Deaf Services (DDS). I hope that everyone is happy, safe, and healthy!

I want to thank Maggie and her staff for all their efforts during this time in keeping DDS moving forward and offering as much as we can post-pandemic. Financially DDS is struggling a little but no different than every other not-for-profit or for-profit business. We need to stay the course and we will eventually come out the other side in a better position to service the Deaf community at large.

The ongoing success of DDS rests with the Board, staff, volunteers, and members, and each has a defined and unique role to play. The coming year/years will need to see increased participation of all the groups to ensure the continued success of DDS.

Part of our success in fundraising is due to the efforts that are put into events like Bingo and DDS' 1st Car Rally. These are the types of events that we need everyone to get behind either by coming out to volunteer or by participating. I want to thank everyone involved in putting an event like the car rally together and for the tireless commitment of Rebecca to running the bingo events.

I want to thank Josephine Geraghty, Ed Hughes and David Poirier for all their efforts over the many years that they served on the board. Their dedication and insight will be greatly missed. We are all so thankful for everything that they have done for DDS and wish them all the best!

### Staff 2022-2023

**Maggie Doherty-Gilbert**  
(Executive Director)

**Stefanie Gibbons**  
(Literacy Coordinator)

**Behishta Mushtaq**  
(Literacy Practitioner)

**Rebecca Salisbury**  
(Admin Assistant)

**Kathy Da Silva Gendron**  
(ASL Instructor)

**Julio Luna**  
(ASL Instructor)

**Kim Reid**  
(ASL Instructor)

**Sonja Johnson**  
(ASL Instructor)

**Amber Morley**  
(Summer Student)

**Aylssa James**  
(Summer Student)

**Teanna Dyer**  
(Summer Student)

900 King Street East, Oshawa, ON, L1H 1H2

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www.durhamdeaf.org

info@durhamdeaf.org

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## Message from the President - Continued

I would also like to acknowledge some of the generous donations that we have received this past year from Vince Della Pia from Elan Planning and Wealth Management and the Durham Region Association of Realtors. Thanks to everyone that has supported DDS in the year!

I would like to announce that DDS has hired a new executive director – Sarah Colbeck. Sarah has been working with Maggie since mid-May and is poised to lead DDS once Maggie retires at the end of June. Please welcome Sarah to DDS and provide her with the same level of support that you provided to Maggie.

Lastly, I want to thank Maggie for leading DDS for the last 5 years. Maggie has been instrumental in guiding us through many obstacles – reduced funding, developing a strategic plan, sale of the building, COVID-19, Board turnover and many more. Through her and her staff's tireless efforts, they have done an amazing job at keeping DDS pushing forward. There are no words to express everything that Maggie has done for DDS. DDS is well positioned to carry forward thanks to all of Maggie's hard work. Happy retirement Maggie!

Stay Safe!

Have a happy, safe, and healthy summer!

Rob Lalonde  
Board President

### Board of Directors

**Rob Lalonde**  
(President)

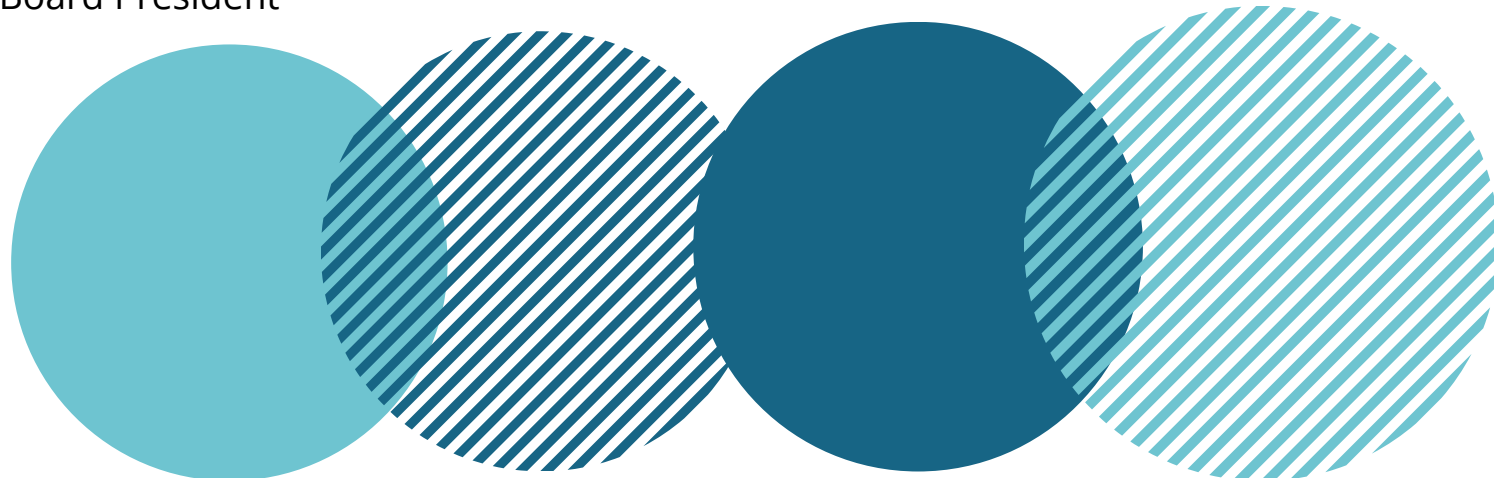
**Ken Jackson**  
(Vice President)

--  
(Treasurer)

--  
(Secretary)

**Aly Beach**  
**Akhila Jeyatheesan**  
**Tristan Kong**  
**Stephanie Ozorio**  
**Kathryn Ranger**  
**Angela Ryall**

**THANK YOU!**



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## Message from the Executive Director

Writing this AGM report is bittersweet. Reporting on the 2022-2023 activity, I am truly proud of the work that was accomplished every day by the Board of Directors, volunteers, students, and phenomenal staff. **I am pleased to say we are now back to our new normal.** Programs and services are up and running and many are coming to DDS for support. We continue to work with our community partners to ensure community supports are in place.

We are truly grateful to our funder for the literacy program, the Ministry of Labour, Immigration, Training, and Skills Development (MLITSD), for their flexibility and support as DDS found solutions to deliver a hybrid literacy service delivery.

We are delighted with the support from our many donors, funders and supporters of DDS - thank you for your ongoing financial support.

Durham Deaf Services (DDS) is grateful to the many volunteers who come out twice a month to support the DDS bingo. A special note of thanks to Pat Salisbury who has been volunteering twice a month to ensure the bingo runs smoothly. If you would like to volunteer at bingo, please contact [info@durhamdeaf.org](mailto:info@durhamdeaf.org).

ASL classes are running both online as well as in-person at our office. DDS can also set up private classes for your business/work or family. For more information, please check our website.

This year the Children's Special Events program returned. Many families came to DDS for various children's holiday parties (Easter, Halloween, Christmas/Holiday) which warmed my heart every time the children ran to the office to celebrate with their friends. The Children's Special Event parties are not funded, and DDS is grateful to Vince Della Pia from Elan Planning and Wealth Management and Companies Who Care for their financial support to allow DDS to deliver these programs to the community.

The Oshawa Deaf Seniors Citizens (ODSC) is back every Wednesday afternoon. Folks gather each week at DDS for socializing and games. Anyone 55+ and a **member of DDS** can join the group on Wednesdays from 12-3 pm. If you are not a member of DDS, please just follow this link <https://durhamdeaf.org/get-involved/>.

The Durham Deaf Club (DDC) hosts many events in our community. You can check out their Facebook Group. In the year to come, we hope to welcome back the DDC to host their functions and events at DDS.

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## Message from the Executive Director

The literacy program has been revitalized with great enthusiasm and creativity. Thank you to our dedicated staff for their hard work and commitment to making a difference every day.

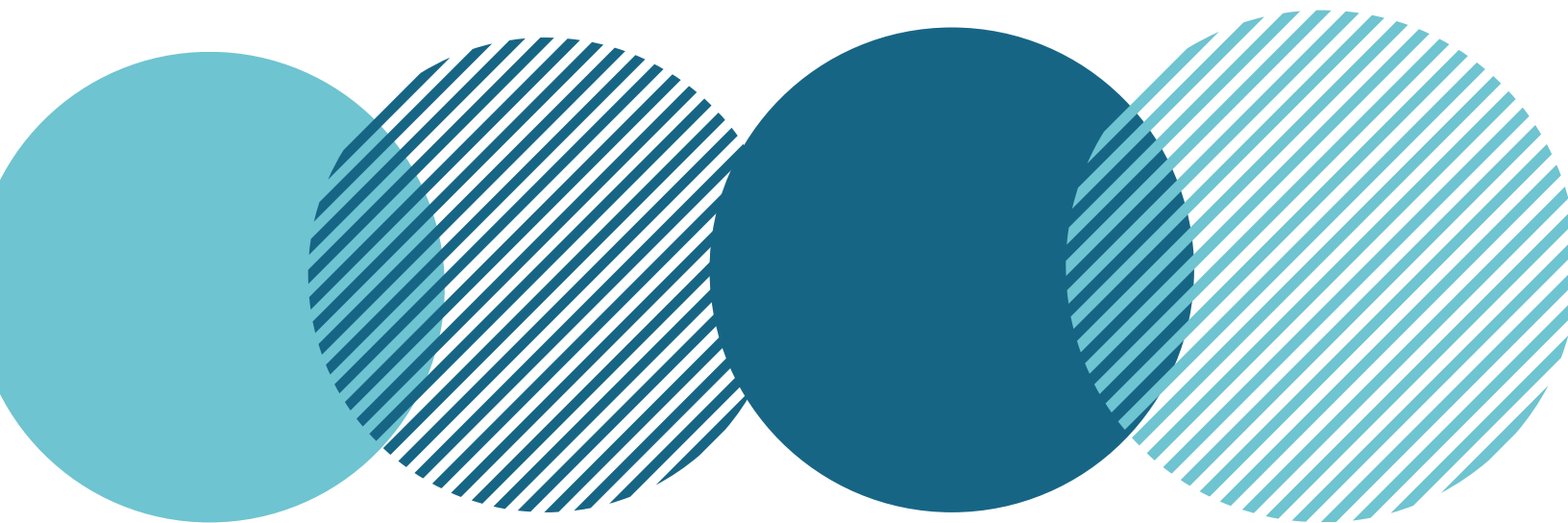
We are also delighted with the talents of the many creative artists who have their art on display in the hallways of DDS. If you are interested in learning more about our literacy program, do not hesitate to visit <https://durhamdeaf.org/daup/>.

As I embark on my retirement journey, I will take with me great memories, wonderful partnerships and enormous success in delivering our programs and services.

Thank you for being so supportive and making my journey here so pleasant.

Sincerely,

Maggie Doherty-Gilbert  
Executive Director



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## Deaf Adult Upgrading Program (DAUP)

Our 2022-2023 year for literacy was a successful year for maintaining hybrid literacy options. We hope to continue to upgrade our virtual hybrid learning options in the coming year. We are becoming more digital than ever before. Literacy learners are keeping up with the new ways of digital navigation for employment, independence, and post-secondary goal paths.

We have had great feedback with our De'VIA art exploration classes. We followed the De'VIA curriculum produced by Surdits United. The De'VIA Curriculum project began after 40 Deaf artists gathered to examine the past, present, and posterity of De'VIA at a retreat in Kansas. The lessons were impactful. Our De'VIA classes saw amazing transformations in learners' confidence, personal identity and ASL communication with each other. The talent that emerged from our own local Deaf artists was wonderful to watch over the past year. We plan to continue to offer De'VIA exploration on Tuesdays.

We had Andrea Kenny come back to volunteer with wood projects that were culturally related to ASL handshapes. We are very grateful for her time and creativity in supporting the growth of emergent-level ASL and English learners who are focused on life skills and independence.

The health and safety of learners continue to be a priority this past year. We focused on referrals to those needing mental health support. We have made new connections with community partners this year and more accessible accommodations for learners are being seen across the region. Mental health services and municipal connections are becoming more inclusive making referrals more beneficial. We are also seeing learners showcase their self-advocacy knowledge by booking interpreters independently. We continue to reach out to community partners to provide wrap-around services needed to support the Deaf community we serve.

We have had great success expanding our program with summer students and additional literacy practitioners. This upcoming fiscal will have Patrizio Presenza conducting virtual and in-person sessions. We are currently developing a new roster of courses and taking the summer months off to revamp programming for the fall. We have our community garden again for a second year. The DDS literacy program will focus on more Deaf culture exposure, employment soft skills, self-advocacy skills, community projects, as well as reading/writing strategies to continue to align with the Ontario Adult Literacy Curriculum Framework (OALCF) curriculum and the community we serve.

We hope to have another successful literacy year for 2023-2024.

Stefanie Gibbons, Literacy Coordinator

Behishta Mushtaq, Literacy Instructor

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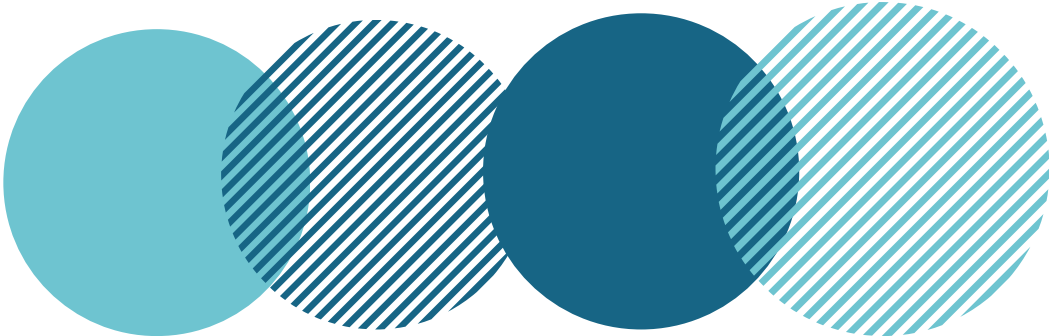
# Thank You's and Acknowledgements

This year we were blessed with the support and generosity of many in our community. Thank you to the many dedicated volunteers, funders, donors, community networks and agencies who go above and beyond to help and support Durham Deaf Services.



**Interpreters:**  
 Glenda Messier  
 Amber Kageyama  
 Jennifer McConachie  
 Cindy Carey  
 Katie Bottomley

**Monthly Donor:**  
 Diane Douglas



**DURHAM DEAF SERVICES INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**





**Smith  
Chappell  
Marsh  
Vilander LLP**

*H. Howard Smith, FCPA (Retired)  
Richard A. Chappell, CPA, CA (Retired)  
Deborah L. Marsh, CPA, CA  
Vesa K. Vilander, CPA, CA*

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Durham Deaf Services Inc.

### *Qualified Opinion*

We have audited the financial statements of Durham Deaf Services Inc. (the Organization), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the years then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, and the results of its operations and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Organization derives part of its revenue from sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues with the exception of grants and interest, was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years.

We conducted our audits 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 audits 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 qualified 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.

*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.**

**We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.**

*Smith Chappell Maus Vilander LLP*

**May 23, 2023  
Oshawa, Ontario**

**Chartered Professional Accountants  
Licensed Public Accountants**

**DURHAM DEAF SERVICES INC.**

**(INCORPORATED WITHOUT SHARE CAPITAL UNDER THE LAWS OF THE PROVINCE OF ONTARIO)**

**STATEMENT OF FINANCIAL POSITION**

**AS AT MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>		
<b>Current</b>		
Cash	\$ 9,258	\$ 54,951
Short term investments	608,825	644,011
Accounts receivable	4,663	30,011
Prepaid expenses	7,600	3,944
	<u>630,346</u>	<u>732,917</u>
 Capital (Note 3)	 12,206	 16,222
	<u>\$ 642,552</u>	<u>\$ 749,139</u>
<b><u>LIABILITIES</u></b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 5,084	\$ 5,707
Government remittances	3,568	4,575
Deferred revenue (Note 4)	3,472	25,445
Current portion of long term debt	40,000	-
	<u>52,124</u>	<u>35,727</u>
 Long Term		
Loan payable (Note 5)	40,000	40,000
Less: Current portion shown above	40,000	-
	<u>-</u>	<u>40,000</u>
<b><u>NET ASSETS</u></b>		
Invested in Capital Assets	12,206	16,222
Internally restricted (Note 6)	621,000	650,000
Unrestricted (Deficit)	(42,778)	7,190
	<u>590,428</u>	<u>673,412</u>
	<u>\$ 642,552</u>	<u>\$ 749,139</u>

**Approved by the Board of Directors:**

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**DURHAM DEAF SERVICES INC.**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Revenues</b>		
<b>Grants - Ministry of Labour, Training and Skills Development</b>	<b>\$ 157,462</b>	<b>\$ 157,462</b>
- MLTSD Training Support	8,000	8,000
- MLTSD American Sign Language Fund	3,700	3,000
- Human Resources Development Canada	14,474	8,112
- Durham Community Foundation	3,256	-
- Computer upgrade grants	14,500	-
- Trillium Foundation	-	60,469
- Seniors Outreach	4,897	9,620
- Virtual Home and Community Care	16,105	23,159
<b>Government of Canada COVID Assistance</b>	-	9,456
<b>Fees for services</b>	11,452	7,715
<b>Donations</b>	29,800	13,773
<b>Fundraising events</b>	21,751	15,569
<b>Interest and miscellaneous</b>	16,839	10,756
<b>Unrealized gain (loss) on investments</b>	(22,907)	24,245
	<hr/>	<hr/>
	279,329	351,336
<b>Expenses - Schedule A</b>	<b>362,313</b>	<b>365,688</b>
	<hr/>	<hr/>
<b>EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)</b>	<b>\$ (82,984)</b>	<b>\$ (14,352)</b>
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**DURHAM DEAF SERVICES INC.****SCHEDULE A****STATEMENT OF EXPENSES****FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
Advertising and promotion	\$ 1,500	\$ 10
Amortization	4,016	4,934
Building maintenance	2,387	1,474
Fundraising	1,361	125
Insurance	3,810	3,804
Interpretation fees	11,724	43,324
Office and general	33,265	29,085
Professional development	2,016	-
Professional fees	8,991	7,093
Rent	45,800	45,600
Resource Centre	4,014	3,111
Salaries and benefits	232,020	217,450
Telephone	2,357	2,364
Training and workshop	1,996	2,712
Training support	6,724	4,223
Travel	332	379
	<hr/>	<hr/>
	\$ 362,313	\$ 365,688
	<hr/> <hr/>	<hr/> <hr/>



**DURHAM DEAF SERVICES INC.**

**STATEMENT OF CHANGES IN NET ASSETS(DEFICIT)**

**FOR THE YEAR ENDED MARCH 31, 2023**

	<b>Invested in Capital Assets</b>	<b><u>Unrestricted</u></b>	<b>Total 2023</b>	<b>Total 2022</b>
Opening balance (deficit)	\$ 16,222	\$ 7,190	\$ 23,412	\$ 37,764
Excess of revenues over expenses (expenses over revenues)	(4,016)	(78,968)	(82,984)	(14,352)
Transfer from internally restricted fund (Note 6)	-	29,000	29,000	-
Closing balance (deficit)	<u>\$ 12,206</u>	<u>\$ (42,778)</u>	<u>\$ (30,572)</u>	<u>\$ 23,412</u>

**DURHAM DEAF SERVICES INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Operating Activities</b>		
Excess of revenues over expenses (expenses over revenues)	\$ (82,984)	\$ (14,352)
Charges to income not involving cash:		
Amortization - capital assets	4,016	4,934
Net change in non-cash working capital balances related to operations (Note 8)	(1,911)	(38,635)
	<u>(80,879)</u>	<u>(48,053)</u>
<b>Change in Cash and Cash Equivalents During the Year</b>	<b>(80,879)</b>	<b>(48,053)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>698,962</b>	<b>747,015</b>
	<u>698,962</u>	<u>747,015</u>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 618,083</b>	<b>\$ 698,962</b>
	<u>618,083</u>	<u>698,962</u>
<b>Cash and Cash Equivalents Consist of:</b>		
Cash	\$ 9,258	\$ 54,951
Short term investments - Guaranteed Investment Certificates	327,139	345,065
- Mutual Funds	281,686	298,946
	<u>618,083</u>	<u>698,962</u>
	<u>618,083</u>	<u>698,962</u>

**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**1. Status and Nature of Activities**

Durham Deaf Services Inc. is a registered charity which is exempt from income tax under the Income Tax Act. The organization was incorporated by Letters Patent issued May 31, 1982 as a corporation without share capital for the purpose of catering to the needs of Deaf, deafened and hard of hearing communities.

**2. Significant Accounting Policies**

The financial statements were prepared in accordance with Canadian Accounting Standards For Not-for-Profit Organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies:

**(a) Revenue Recognition**

Durham Deaf Services Inc. follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fundraising revenues are recorded in the year the event is held.

Fees for services are recorded in the year the program is held.

Grants are recorded in the period in which they are received unless they are given for a specific purpose or time. Funding given for a future year or a project to be completed in a future year is recorded as revenue in the designated year.

**(b) Capital Assets**

Capital assets are recorded at cost and amortized over their estimated useful life using the straight-line method at the following annual rates:

Computer hardware	1/3
Furniture and equipment	1/3
Leasehold improvements	1/10

**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**2. Significant Accounting Policies (continued)**

**(c) Donated Services**

**Durham Deaf Services Inc. would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the difficulty of compiling these hours, contributed services are not recognized in the financial statements.**

**(d) Use of Estimates**

**The preparation of financial statements in accordance with Canadian Accounting Standards For Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results may differ from those estimates.**

**(e) Financial Instruments**

***Measurement of financial instruments***

**The organization initially measures its financial assets at fair value.**

**The organization subsequently measures all its financial assets and financial liabilities at amortized cost.**

**Financial assets measured at amortized cost include cash, accounts receivable and short term investments in guaranteed investment certificates.**

**Financial liabilities measured at amortized cost include the accounts payable and accrued liabilities and government remittances.**

**The organization measures short term investments invested in mutual funds at fair value.**

## DURHAM DEAF SERVICES INC.

### NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2023

#### 2. Significant Accounting Policies (continued)

##### (e) Financial Instruments (continued)

###### *Impairment*

Financial assets measured at cost are tested for impairment annually. When there are indicators of impairment, the amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

##### (f) Allocation of Expenses

The organization provides various programs on behalf of several funding partners. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The organization also incurs a number of general support expenses that are common to the administration of the organization and each of its programs.

The organization allocates certain of its general support expenses by identifying the appropriate basis of allocating each component. The organization allocates these expenses to the projects in accordance with the approved budgets.

#### 3. Capital Assets

Capital assets are stated as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2023 Net</u>	<u>2022 Net</u>
Computer hardware	\$ 37,253	\$ 36,591	\$ 662	\$ 2,902
Furniture and equipment	2,827	2,827	-	-
Leasehold improvements	17,760	6,216	11,544	13,320
	<u>\$ 57,840</u>	<u>\$ 45,634</u>	<u>\$ 12,206</u>	<u>\$ 16,222</u>



**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**4. Deferred Revenue**

Revenues earned are recognized as the expenses relating to these funds are incurred. The unearned portion of these funds are recorded on the Statement of Financial Position as deferred revenue.

	<u>2023</u>	<u>2022</u>
Opening balance	\$ 25,445	\$ 56,829
Add: Amounts received related to future periods	29,239	26,134
Less: Amounts recognized as revenue in the year	(51,212)	(57,518)
Closing balance	<u>\$ 3,472</u>	<u>\$ 25,445</u>

**5. Canada Emergency Business Account Loan (CEBA)**

The organization applied for and received the \$60,000 CEBA loan in the 2020 fiscal year. The loan was provided by the Government of Canada to provide capital to businesses to see them through the current challenges due to the pandemic and better position them to return to providing services, and creating or maintaining employment. The loan is unsecured.

The loan is interest free to December 31, 2023. Provided the loan is repaid by December 31, 2023, \$20,000 of the loan will be forgiven. If the loan is not repaid by December 31, 2023, the full \$60,000 loan will be converted to loan repayable over three years with a 5% interest rate.

The \$20,000 forgiveness portion of the loan has been included in revenue in the prior period as it is management's intention to fulfill the condition of repaying \$40,000 by December 31, 2023.

**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**6. Internally Restricted Funds**

The Board of Directors has established an internally restricted fund to provide the organization with a reserve of cash for years when funding is not sufficient to cover operating costs. These internally restricted funds are only available with prior approval of the Board of Directors.

	<u>2023</u>	<u>2022</u>
Opening balance	\$ 650,000	\$ 650,000
Transfers from operating during the year	-	-
Transfers to operating during the year	(29,000)	-
	<hr/>	<hr/>
Closing balance	<u>\$ 621,000</u>	<u>\$ 650,000</u>

**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**7. Government Assistance**

**In response to the negative impact of COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy ("CEWS") program in April 2020. CEWS provides a wage subsidy on eligible remuneration, subject to limits per employee, to eligible employers based on certain criteria, including demonstration of revenue declines as a result of COVID-19. This subsidy was available from March 15, 2020 to October 23, 2021.**

**The organization has determined that it has qualified for this subsidy from the March 15, 2020 effective date and has accordingly applied for, and received, the CEWS. The organization will recognize government grants when there is reasonable assurance that it will comply with the conditions required to qualify for the grant, and that the grant will be received.**

**The organization has recognized \$Nil (2022 - \$7,654) of government assistance related to CEWS for the period ended March 31, 2023.**

**The Government of Canada also announced the Canada Emergency Rent Subsidy ("CERS") program. This subsidy was available from September 27, 2020 to October 23, 2021.**

**The organization has determined that it has qualified for this subsidy and has accordingly applied for, and received, the CERS. The organization will recognize government grants when there is reasonable assurance that it will comply with the conditions required to qualify for the grant, and that the grant will be received.**

**The organization has recognized \$Nil (202-\$1,802) of government assistance related to CERS for the period ended March 31, 2023**

## DURHAM DEAF SERVICES INC.

### NOTES TO FINANCIAL STATEMENTS

#### AS AT MARCH 31, 2023

#### 8. Cash Provided From (Used For) Working Capital

Cash otherwise available from operating activities is influenced by increases or decreases in the following items:

	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 25,348	\$ (2,480)
Prepaid expenses	(3,656)	(344)
Government remittances	(1,007)	(80)
Accounts payable	(623)	(4,347)
Loans Payable	-	-
Deferred revenue	(21,973)	(31,384)
	<u>\$ (1,911)</u>	<u>\$ (38,635)</u>

#### 9. Ministry of Labour, Training and Skills Development

Expenses pertaining to Ministry of Labour, Training, and Skills Development funding, as allocated by management, are included on Schedule A as follows:

	<u>2023</u>	<u>2022</u>
Advertising and promotion	\$ -	\$ -
Amortization	2,256	2,991
Insurance	2,909	2,904
Interpretation fees	3,077	2,135
Literacy resources	-	486
Office and general	3,727	3,799
Professional development	312	-
Professional fees	3,934	3,880
Rent	36,640	36,480
Salaries and benefits	137,398	129,946
Telephone	4,099	5,193
Training and workshop	-	102
Travel	75	84
	<u>\$ 194,427</u>	<u>\$ 188,000</u>

## DURHAM DEAF SERVICES INC.

### NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2023

#### 10. Financial Instruments

##### **Risks and concentrations**

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, 2023.

##### *Liquidity risk*

Liquidity risk is defined as the risk that the organization may not be able to meet or settle its obligations as they become due. The organization has taken steps to ensure that it will have sufficient working capital to meet its obligations.

##### *Credit risk*

Credit risk arises from the potential that counterparties including clients will fail to perform their obligations. The organization is subject to credit risk through their receivables. Account monitoring procedures are utilized to minimize risk of loss.

##### *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 comprises three types of risk: currency risk, interest rate risk and other price risk. Investments are primarily exposed to interest rate and other price risk. The organization has formal policies and procedures that establish target asset mix.

##### *Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The organization is exposed to the risk with its short term investments. The organization has formal policies and procedures that establish target asset mix.

##### *Other price risk*

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the markets. The organization is exposed to the risk with its short term investments. The organization has formal policies and procedures that establish target asset mix.



**DURHAM DEAF SERVICES INC.**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**11. Economic Dependence**

**In common with other publicly funded agencies, the organization derives the majority of its revenue from the Province of Ontario through the Ministry of Labour, Training and Skills Development. Without this assistance it would be difficult for the organization to maintain its present level of service.**

**12. Commitments**

**The organization has entered into a lease for premises which started January 31, 2020 and expires January 31, 2025. The minimum rent payments are as follows**

<b>2024</b>	<b>\$48,000</b>
<b>2025</b>	<b>\$40,000</b>