



2019
ANNUAL
REPORT

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MESSAGE FROM THE CEO AND EXECUTIVE DIRECTOR

It is my pleasure to present the 2019 annual report for the Canadian Administrator of VRS (CAV), Inc.

Last year was noteworthy on a number of fronts.

The high point was the phenomenally positive results of a customer satisfaction survey we launched in July. For the purposes of growth and improvement, it is important for us to confirm, from time to time, how our customers use their Canada VRS, how satisfied they are with it, and what barriers may stand in the way of optimizing its use.

We were delighted to learn that, on average, 90% of our customers rated their overall satisfaction with Canada VRS as either excellent or good. I encourage you to look at the results of the survey in the pages of this report. They provide an informative picture of our made-for-Canadians VRS.

Our high levels of customer satisfaction can be mapped to CAV's commitment to communicate clearly and often. Last year, we relaunched our English and French language websites to update content, features and design. In addition to them being more intuitive to use, we added a new accessibility function to enable visitors to adjust how they view the site.

Facebook continued to be a primary channel to disseminate news and information to our nearly 2,100 ASL and LSQ followers. Last year, we increased our volume of posts considerably to share information about services, updates to apps, invitations to join workshops, and even job postings.

I am particularly proud of the tremendous efforts of our Community Relations team in 2019. They led or participated in 128 events across the country and met with more than 9,000 people. Their work was directly responsible for increasing registration to its current level and for assisting customers to get the most from their VRS.



With three years in operation, **SRV Canada VRS** has matured into a telecommunications service – distinguished uniquely from the functions of telecommunications companies, community-based or social organizations. We have earned this place on Canada's communications landscape because we deliver excellent service and never lose sight of our vision to empower Deaf Canadians. Every action we undertook in 2019 – as in previous years – was driven by this vision.

I'd like to thank CAV staff for their commitment and tremendous efforts in 2019, and the Board of Directors for their ongoing guidance and support.

Finally, I want to thank our customers for the confidence they place in us and in their Canada VRS. We appreciate their valuable opinions in making **SRV Canada VRS** a better tool for empowerment.

A handwritten signature in black ink that reads "Sue Decker". The signature is fluid and cursive.

Sue Decker
CEO and Executive Director

MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

It was an honour for me in 2019 to be confirmed as Chair of the CAV Board of Directors.

It was a very eventful and productive year for **SRV Canada VRS**. I was truly impressed with our CEO Sue Decker and her very capable team for their actions in making continuous improvements to services and the efficient ways in which they worked.

With the benefit of three years of service behind us and the many challenges and opportunities we have addressed, it is my sense that our Board of Directors has matured into a stronger and more cohesive team that is well equipped to provide support, decisions and direction.

In a workshop in July, the Board had an opportunity to review **SRV Canada VRS'** operational performance, the role and activities of the CAV team, as well as that of our technology and video interpreter providers. We gained important insight into the challenges of delivering consistent, high-quality VRS for our customers across Canada. I want to thank Board members for participating in this exercise and for the valuable and unique contributions they made to it.

The July workshop served as a springboard for a second discussion later in the year to review and confirm CAV's vision and mission, to reflect on efforts to build Canada's VRS, make continuous and innovative improvements to it over the past three years, and to explore plans for the future. This was a very valuable exercise, resulting in the full alignment of Board members on the path forward.

The Board of Directors shares Sue Decker's delight with the results of the customer satisfaction survey conducted in the summer. It was a clear signal that our collective planning and hard work at both the Board and staff levels are paying off. The delivery of quality video interpreter and customer service, clear and frequent communication via the web and social media, and in-person engagement



at the many community relations events across the country all contributed to a sustained and high quality service. The confidence of our customers serves as a strong platform from which to build future improvements and growth. For that, we are grateful.

Ambitious plans are in place for 2020 in all areas of CAV's operations. I look forward to working with the Board and with CAV staff to realize these plans to their fullest.

A handwritten signature in black ink, appearing to read 'S. D'Onofrio', written in a cursive style.

Tony D'Onofrio
Chair of the Board of Directors

| ABOUT CAV

VISION

EMPOWER DEAF CANADIANS

The Canadian Administrator of VRS (CAV), Inc., is a not-for-profit telecommunications services corporation with a mandate from the Canadian Radio-television and Telecommunications Commission (CRTC) to design, implement and oversee the delivery of Video Relay Service (VRS) in Canada.

SRV Canada VRS enables Deaf, hard of hearing or speech-impaired Canadians who use American Sign Language (ASL) and Langue des signes Québécoise (LSQ) to make telephone calls via Internet-based videoconferencing technology.

MISSION

PROVIDE VRS FOR CANADIANS WHO USE ASL AND LSQ; ENABLING CONNECTIONS TO PEOPLE AND INCREASING OPPORTUNITIES.

Calls are connected to a sign language interpreter, who provides real-time interpretation of the telephone conversations, allowing Deaf users who use sign language to communicate with spoken language users.

CAV and its Board of Directors are responsible for Canada's national VRS — **SRV Canada VRS** — which is available to ASL and LSQ users.



THE 2019 BOARD OF DIRECTORS OF THE CANADIAN ADMINISTRATOR OF VRS (CAV)

A WORD ABOUT OUR BOARD OF DIRECTORS

In 2019, Tony D'Onofrio was confirmed as Chair of the Board of Directors. He had been serving as Interim Chair since 2018 following the departure of Cynthia Benoit. His appointment and the leadership he provided throughout the year were welcomed and appreciated by Board members and CAV staff.

The support that the Board provided contributed significantly to Canada VRS' growing maturity as a robust, Canadian telecommunications service.

In July 2019, Board members participated in a workshop to review Canada VRS' operational performance, as well as the role and activities of the CEO. It was an opportunity to understand and appreciate the challenges associated with improving and advancing the services.

The July workshop resulted in a second Board exercise in September, where members participated in a two-day vision quest. This was an opportunity to reflect on the successful journey to building Canada's first national video relay service, to validate **SRV Canada VRS'** current operations and path, and to explore continued growth and technological innovation in the years ahead.

Among the subjects the Board addressed was a facilitated review of CAV's vision and mission statements, and the exploration of a series of strategic initiatives planned for the coming year and beyond. The sessions were productive ones, with the Board and its Executive Director achieving full alignment.



From left to right: Dr. Marty Taylor, Permanent Invitee; Scott Fletcher, Secretary of the Board of Directors; Sue Decker, CEO and Executive Director; Eric Edora, Director; Jonathan Daniels, Director; Renu Sangha, Director; Dr. Gary Birch, Director (seated); Anne Missud, Permanent Invitee; Dr. Jessica Dunkley, Director; David Joseph, Director; Tony D'Onofrio, Director and Chair of the Board of Directors.

To view biographies for members of the Board, visit: srvcanadavrs.ca/en/about

| CAV STAFF



From left to right: Pamela Witcher, Community Relations Manager; Sue Decker, CEO and Executive Director; Jonathan Masters, Project Consultant; Ellen Thomas, Executive Assistant.



In May 2019, CAV posted a job announcement on Facebook for a Program Manager to help manage the growing day-to-day operations and delivery of Canada VRS. Following a rigorous interview process, in the fall CAV hired Paula Bath, a highly qualified resource with an academic background in sign language interpretation and media, and professional experience in the communications regulatory landscape.

Paula quickly became part of the CAV team and is contributing her energy and expertise to the group's ambitious agenda.

THE YEAR IN REVIEW

Looking back on 2019, there are several noteworthy highlights that form a picture of the year's activities, all of which point to **SRV Canada VRS**' emergence as a maturing Canadian telecommunications service.

With three full years in operation, the system is generally more stable and has become more integrated into the lives of customers who use the service on a regular basis.

With the advantage of our more stable system, throughout the year improvements to the technology platform and apps were either implemented or planned, resulting in a better user experience for Canada VRS customers.

For example, the average length of calls is increasing. There is a steady use of customers making 9-1-1 calls. In addition, in the customer satisfaction survey undertaken in July, more than three-quarters of respondents stated that it would be a major loss for them if their VRS were to disappear.

Community relations remained a priority. Significant efforts were undertaken throughout the year to meet in person with members of Canada's Deaf and hard of hearing communities. These efforts, delivered by a now well-oiled Community Relations team, yielded additions to the customer base, an increase in the number of hours the services were used, and the dissemination of better information on how to optimize the services.

Looking beyond 2019, the Community Relations team also began developing strategies to implement innovative and more efficient ways to reach an even larger number of existing and potential customers, for example through organizations and services in their communities, and via electronic channels such as webinars.

Facebook was leveraged even more than in years past to deliver practical information about **SRV Canada VRS** to customers and their communities of interest. With weekly messages ranging from tips to optimize the service to information about planned upgrades and improvements, the quality and volume of communication increased significantly.

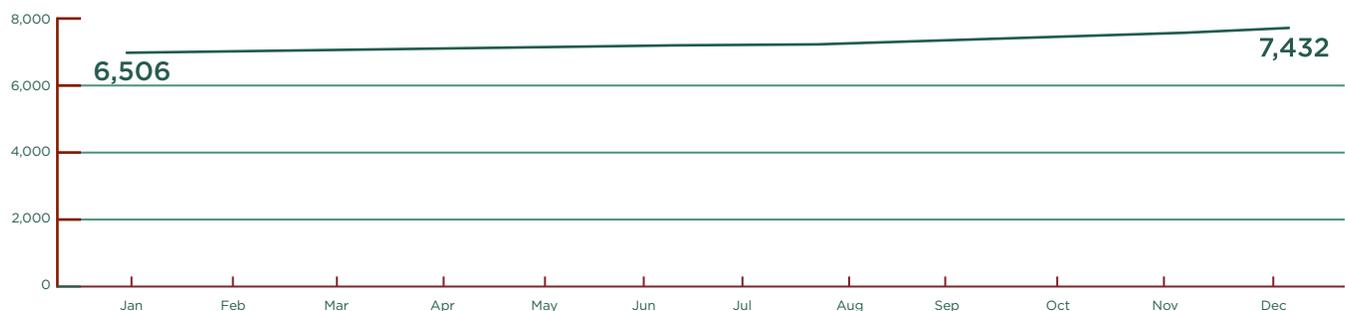
CAV is most proud of the customer satisfaction survey conducted in the summer, which yielded satisfaction levels that are highly impressive for a still relatively new telecommunications service.

TELLING OUR STORY BY THE NUMBERS

At the outset of 2019, **SRV Canada VRS** had 6,506 registered customers. By the end of the year, nearly 1,000 new customers came on board to bring the total to 7,432.

2019 GROWTH

Registration growth rate per month: 1.1%. Usage growth rate per month 1.1%



2019 COMMUNITY ENGAGEMENT IN ACTION

128
EVENTS ACROSS
CANADA

89 ASL EVENTS
27 LSQ EVENTS
5 ASL/LSQ EVENTS
7 ASL/MSL

9,091
PARTICIPANTS

912
VRS CUSTOMERS
REGISTERED

21
EDUCATIONAL
CIRCLE EVENTS
GOVERNMENT, SCHOOLS,
RECREATIONS, SERVICES.



EVENTS WITH

ARTS COMMUNITIES, DEAF WOMEN, SPORTS ORGANIZATIONS, PROFESSIONAL GROUPS,
SENIOR CITIZENS, SCHOOLS AND UNIVERSITIES, AND INDIGENOUS PEOPLES.



Nancy Kelly
Belleville, ON (ASL Customer)

“I am really impressed with VRS. The Belleville General Hospital actually called me last Wednesday just to remind me about my appointment. That’s something I have never seen before! Because I gave them my VRS number, they really and actually called me to remind me, which is really wonderful.”

At the end of three years, it is natural for initial adoption rates to begin to slow as successive waves of subscribers — from early adopters to mainstream users — sign up. However, there are signs that customers are slowly changing their habits in their reliance on **SRV Canada VRS**. For instance, in 2018, the average length of a call was 5.1 minutes, while in 2019 it increased to an average of 5.6 minutes per call, representing an increase of 10%. The number of 9-1-1 calls remained steady, at about 200 per quarter, or a little over three per day.

Strategies to increase adoption rates continued in 2019. Throughout the year, targets included Deaf children and students in schools, and current customers interested in a second account for business purposes. By the end of 2019, 103 Deaf children had subscribed to **SRV Canada VRS**, and 255 second number for business accounts were created.

It is noteworthy that when the Canada VRS website was refreshed toward the end of the year, a new section was included to facilitate CAV visits to schools by the Community Relations team, as well as to provide easy steps for subscribing to the service. This new web space invites imaginative use of Canada VRS as a tool to empower learning. It gives school teachers and principals the resources they need — all in one place — to encourage their students to use VRS to communicate with their friends and family, their hearing networks, and even potential employers.

■ UPDATING TECHNOLOGY AND APPS

Our customers’ VRS user experience is always a priority. Improvements are regularly implemented and planned as advances are made in technology and app design, and as our customers communicate what works well and what would enhance their VRS experience.

During the year, our VRS Video Mail (VM) feature was re-designed and re-introduced to customers. CAV recognized improvements to the service were needed to leverage its potential value. This was a major project that took several months to re-design and to implement.

One of the new VM features was an upgrade to display how many stored messages a customer has and to signal when the limit of 20 messages is getting close. The app also was improved to enable easier deletion of messages.

By the end of the year, a far more robust VM was in place and customer satisfaction with this calling feature improved accordingly.

In 2019, CAV implemented an automated interactive voice response (IVR) system to answer and greet all incoming calls and direct them to appropriate video interpreters (VI). This action resulted in reducing redundancy in greetings between customers and VIs.

Refreshing customer apps is always an operational priority. Early in the year, apps for all platforms – PC, Mac and mobile devices – were improved to enable synchronization of customers’ call history and contact lists across all their devices. In March, apps were updated further for VRS customers with business numbers to control how their name appears in the CAV app directory.

In 2019, work began on a major project to design a new generation of VRS user apps. These new apps will be implemented in 2020. Working with a design team under contract to CAV, as well as with IVès Canada, new apps, built as “native” apps on their respective platforms of PC and Mac, will be more reliable and more intuitive to use when they are introduced.

QUALITY ASSURANCE

CAV’s Quality Assurance Program – designed in 2018 to standardize service across its five VI providers – was implemented as a pilot program in 2019. CAV Board member, Marty Taylor, agreed to take a leadership role in its implementation and presented initial results to the Board late in the year.

This is a first-of-its kind program. As CAV continues to collect metrics from the program, and if these metrics are seen to bring value to operational strategies and programs, they may be offered as a tool for sign language training programs.

VIDEO INTERPRETER SUMMIT

Related to the Quality Assurance Program, in the spring of 2019 CAV hosted its third annual summit with CAV’s Platform and VI service providers. Key partners from across Canada travelled to Ottawa for the two-day event.



Kenneth Roberts – Trenton, ON (ASL Customer)

“VRS relieved me of unnecessary headaches. A friend passed away, and I was the executor which meant I was responsible to close a bank account, sell a house, and deal with a range of other tasks. There were so many different people involved in the process that I had to make many VRS calls every day for several months. VRS really helped a lot. If it didn’t exist, I would have to travel more and show up at offices or meet everyone in person! Now, I just stay home and make phone calls. VRS rocks!”



Participants at the third annual summit of CAV’s Platform and VI service providers.

Led by CAV’s CEO and Project Consultant, in attendance were senior members from IVès Canada, Service d’interprétation visuelle et tactile (SIVET), Convo Communications, Sign Language Interpreting

Associates Ottawa Inc. (SLIAO), and Interprétation signes et paroles inc. (ISEP).

Vendors consider this annual summit an important event. It is an opportunity to gain insight on operational results, strategies to make continuous improvements to VRS for Deaf Canadians and build relationships with CAV and fellow vendors.

The 2019 summit included team building exercises, given the importance of ensuring consistently high-quality service across all the companies that provide VI services for Canada VRS.

WHY CUSTOMERS CONTACT US

CAV monitored closely the customer service tickets it received throughout 2019.

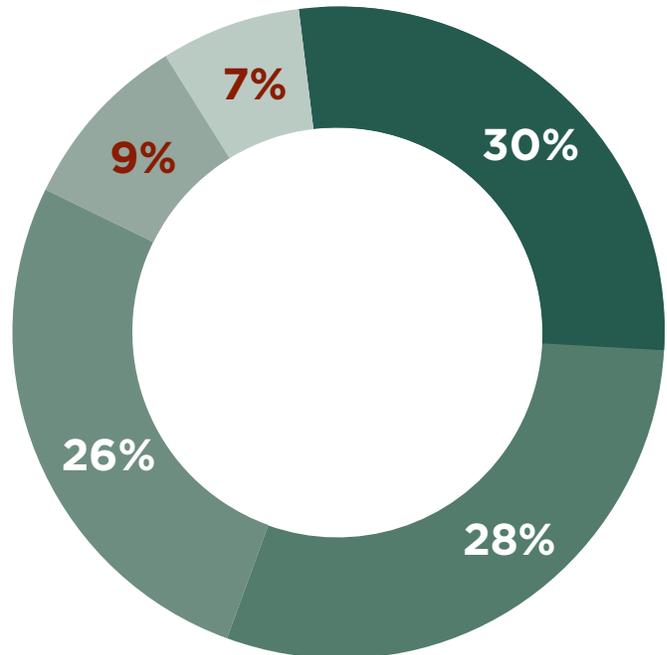
With a more stable technology system in place, only 16% of calls were related to network and other technical issues. About 26% of calls focused on issues regarding passwords, personal information, and registration. Tickets logged for feedback, comments or suggestions amounted to 30% of all calls, which indicated that the client base is both engaged and caring.

OPTIMIZING COMMUNICATIONS CHANNELS

The **SRV Canada VRS** website and its Facebook social networking channel are tools that perform a strong support role to Canada VRS and enhance its great potential.

Late in 2019, CAV relaunched its English- and French-language website to offer customers and visitors – Deaf and hearing – a more intuitive navigation experience, new content and features, and a cleaner design.

CUSTOMER SERVICE INQUIRIES BY CATEGORY



30%	Feedback, comments, suggestions
28%	Features and policies
26%	Account issues: password, personal info, registration
9%	Other technical
7%	Video, audio and network

Our new website reflects, more strongly than ever, CAV's vision to empower Deaf Canadians and to eliminate the barriers that exist among the Deaf and between the Deaf and hearing Canadians.

The new site makes it easier than ever to register to become a Canada VRS customer, learn how to optimize the VRS tool, or just get the latest updates related to the service.

In particular, we have created a special place on the site for school teachers and principals to enable them to contact our Community Relations team to facilitate introducing Canada VRS to their students and take the steps to register for the service.

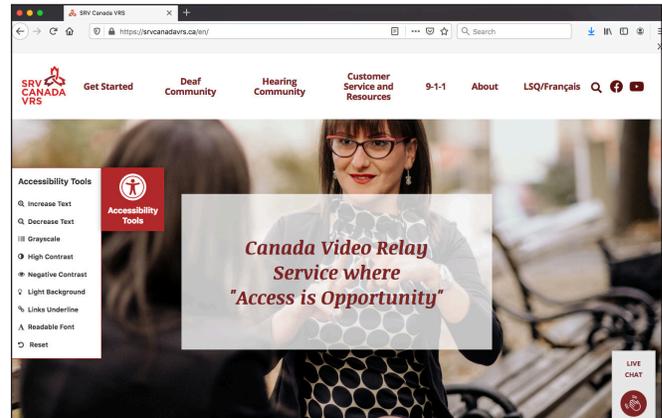
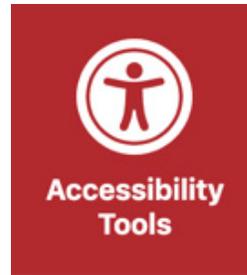
Our Live Chat function, introduced in 2018 and used more steadily last year, has become an important channel for our customer service team to communicate directly with customers, potential customers, and those who just want to learn about VRS.

We have made more information available to support customers with practical tips to optimize our services and to troubleshoot technical issues they may encounter with VRS or the device they use to make VRS calls.

As important as all of the other improvements was the launch of a new tool to make our website more accessible. Visitors to the site will notice a tab to enable them to change how they view the site. For example, they can choose larger or smaller text, higher or lower contrast, and colour or plain black and white. We are very proud of this new feature.

There are two other features that make our website unique.

The first is our significant focus on story telling. It is important for Deaf and hearing Canadians to witness firsthand how empowering VRS is to those who use it. The videos posted on our website or hosted on our YouTube channel are compelling examples of the



opportunities that empower the Deaf who use VRS — from communicating with friends to enabling transactions in the workplace, at banks, or in doctors' offices.

The second is our commitment to transparency in making service performance metrics available to everyone. We are proud of the high-quality service we deliver every day and believe it is important to share it with visitors to our website.

As much as the **SRV Canada VRS** website is the main hub for VRS-related information, our Facebook page plays an important supporting role by delivering timely information to our nearly 2,100 ASL and LSQ followers.

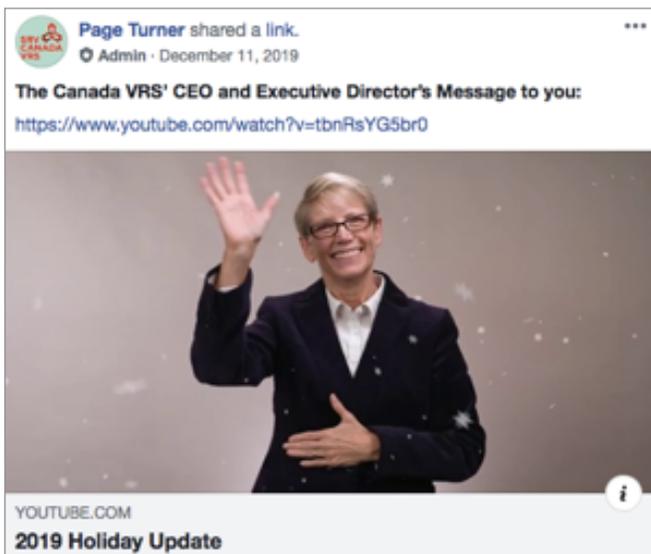
Our Facebook page enables strong relationships with communities across Canada. The CAV Community Relations team is committed to meet as many people in person as it can every year, but the virtual channels go a long way in building and sustaining strong relationships.

In 2019, we stepped up the volume of posts to our Facebook page with information ranging from Video Interpreter (VI) tips, notices about updates to apps, announcements about upcoming workshops at Deaf community events across Canada, advertisements for jobs, and even a contest for participating in our customer satisfaction survey.



Our presence on Facebook is a strong reflection of our commitment to be a telecommunications service that is also a committed community partner.

CAV's Executive Director and CEO continues to communicate directly with customers and stakeholders by issuing a newsletter via email and video to nearly 4,700 subscribers. On a practical level, the newsletter disseminates current and useful information to customers.



Sue Decker's hands-on communications approach with the newsletter signals that CAV's commitment to high quality service is driven from the highest level within the organization and from a trusted source.

COMMUNITY RELATIONS

If **SRV Canada VRS** has earned a place as a respected national telecommunications service, its success is due in no small part to the strong relationships forged by CAV's Community Relations practice.

CAV's outreach activities are led by its experienced Community Relations Manager. In 2019, the Manager with a team of 10 specialists organized or participated in an astonishing 128 events, reaching more than 9,000 people at annual meetings, summer barbecues, workshops and other community-based events and activities.

Specialists were located in all regions of Canada. They brought to their work a broad range of skills, experiences and backgrounds and, equally importantly, were familiar with the unique regional and local needs and interests of current and potential customers.

For a number of events, the team collaborated with members of CAV's Customer Service team to increase Canada VRS registrations and provide customers with hands-on technical support.

In November, CAV's Community Relations Manager hosted a two-day Outreach Summit in Ottawa. This team-building event provided participants with opportunities to exchange experiences and ideas about their innovative approaches to leverage awareness of VRS, and to strategize on future outreach approaches.



Jennifer Rimmer
St. John's, NL (Former CAV Community Outreach Specialist and ASL Customer)

“Everyone is amazing to work with! This professional journey has contributed to the expansion of my self growth and network circles. The process made me feel proud of being “me” and made me realize that I could give the best of myself to ensure the positive VRS experience is achieved for everyone.

The past two years, I have seen a growth in the empowerment process in the Deaf and hard of hearing community. It's easy to predict the growth that will continue to happen. **Canada VRS** will always be part of me and my community as a mother/leader/advocate/worker. I will always be behind the service and make sure that it continues to open doors of opportunity across Canada and Newfoundland.

My professional and personal experience with CAV and **Canada VRS** is unforgettable. Thank you for being a part of my journey.”

There are several noteworthy ideas to consider as more Deaf Canadians use Canada VRS and as CAV’s community relations practice grows deeper roots in regions and communities.

The first is that continued growth in the service – through new registrations and growth in usage – is always changing. It is natural that new registrations will decrease over time as Canada VRS spreads across the country. This presents the Community Relations team with new opportunities to target their efforts in different directions. For example, awareness building for VRS can be directed to service providers like banks, health care providers, and other services where Deaf Canadians conduct their day-to-day transactions.

In-person engagement is always the best way to communicate, but increasingly, the CAV Community Relations practice will also take into account its carbon footprint. With strong virtual channels available to communicate, more innovative use will be made to reach individuals and groups.

CUSTOMER SATISFACTION SURVEY

In July, CAV launched a customer satisfaction survey conducted by Ad Hoc Research Inc., a reputable Montreal-based, research firm. The survey was made available to all Canada VRS registered users.

The purpose of the survey was to evaluate satisfaction with **SRV Canada VRS**, provide a deeper understanding of how the services are used, and identify the barriers to using the service.

Close to 1,100 customers (800 ASL and 300 LSQ) from across Canada responded — or about 16% of the customer base.

Overall satisfaction levels were phenomenal. Typically, satisfaction with a service after three years in operation begins to decline. In the case of Canada VRS customers, satisfaction levels at the time of the survey were equal to or higher than in previous years.

The majority of customers (88%) rated their overall satisfaction with Canada VRS as either excellent or good. The quality of video interpretation services and

technical quality of VRS were rated at 91% and 88% respectively.

In just three short years, **SRV Canada VRS** has become the clear preference for communication among survey respondents. When asked which service they use most, 67% identify VRS as their preferred service. Email (12%) and text messaging (10%) are the next, but far less, preferred tools.

Information from the survey offered important insight on how and why customers use their VRS. Smartphones were identified as the device of choice, with 75% of users making VRS calls this way. Users' PC or Mac and tablets are also very popular tools for calling, with 50% and 47% respectively.

Using their preferred device, Canada VRS customers are making or receiving health-related calls (88%); calls to and from service providers including telephone companies, banks and airline carriers (83%); calls to and from restaurants and retailers (81%); to and from family and friends (75%); and to or from government departments (69%). On the work front, 48% report using it for work purposes, and among those who are employed the number is significantly higher at 74%.

OVERALL SATISFACTION: INTERPRETER AND TECHNICAL QUALITY





Marie-Andrée Gilbert
Montreal, QC (LSQ Customer)

“I am the CEO of Réseau québécois pour l’inclusion sociale des personnes sourdes et malentendantes (ReQIS). I use VRS all the time, and it’s really magnificent. Often, through my professional account, I use VRS with the VCO feature to communicate with other peers all over Quebec and with government Ministers. The VCO feature allows my spoken language to be delivered to the person I’m communicating with. The video screen allows me to listen to their feedback interpreted into sign language by a video interpreter. So, in all my conversations, I speak to the hearing caller and I listen to their interpreted feedback, which provide me access to both languages I feel comfortable with. It’s really magnificent – the calls are quick, short and time-saving, which gives me more time to do other important things.”

Based on survey questions related to where customers use VRS, it is clear they are leveraging the mobility and convenience their devices offer. Respondents say they use it at home (95%), on the go (38%), at work (34%), and in the classroom (10%).

The survey also revealed many other informative facts. For example, it showed:

- all age categories are using VRS, and the average age was 51
- about one-quarter (24%) were university educated, and slightly more than one-third (37%) have a college or technical education
- more than half (60%) are employed either full-time (47%) or part-time (13%)
- of respondents who were working, most were either federal (48%) or provincial government (20%) employees, or self-employed (27%)

The survey shows the future of Canada VRS is bright, with 54% stating they will use the service more often, and 42% stating they will use it with about the same frequency.

It is worthwhile to note that Canada VRS has earned an excellent Net Promoter Score of +51.3. The Net Promoter Score is a tool to measure the loyalty that exists between a provider and a consumer. In the case of our VRS, it means the proportion of those willing to recommend the service far outweighs the proportion of those who would not.

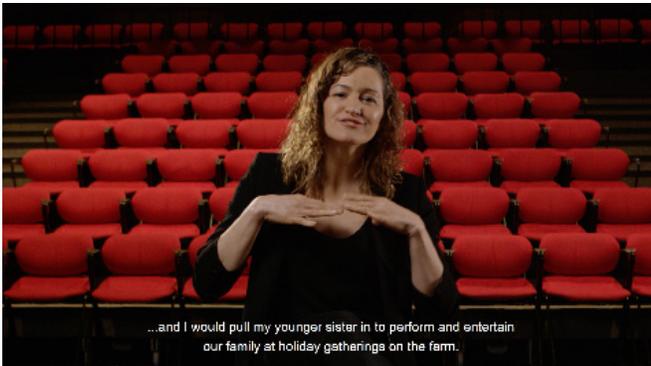
Perhaps the most telling figures are those based on questions about what kind of impact Canada VRS is having on the lives of the people who use it. Communicating in the language of choice, communicating more easily with others, and access to more people or services all rated higher than 90%, while questions about communicating with hearing people and feeling more connected to others both scored 87%.

CUSTOMER SATISFACTION - STORIES OF TRANSFORMATION

The majority of the more than half-million VRS calls made annually are routine in nature, like most telephone calls. But as life-changing as the service has become for its **SRV Canada VRS** users, there are some stories that stand out because they are truly transformative.

In September, two brief customer videos were posted on the **SRV Canada VRS** YouTube channel that bring to vivid life just what the service means for some people.

In the first story, told by Canadian actor Dawn Jani Birley, she recounts how performing at home for family turned into a desire to study acting professionally. Dawn Jani's journey is a circuitous one: with no theatre programs for the Deaf in Canada, she made her way to Denmark to study and perform in that country's thriving Deaf theatre community, and then returned to Canada to appear at the National Arts Centre in a production of Shakespeare's *Prince Hamlet*.

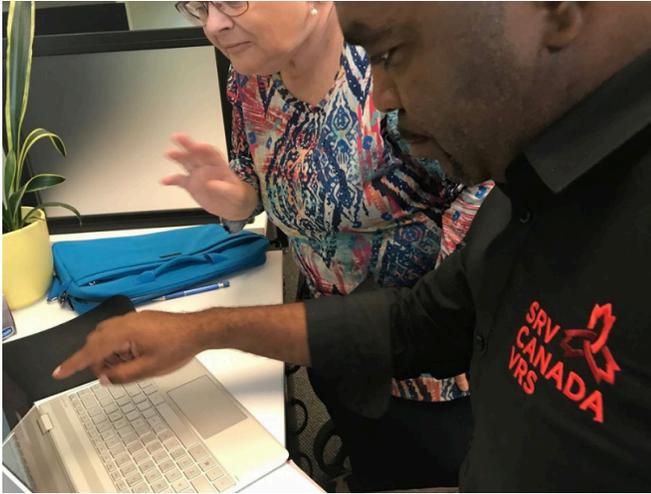


For most of her work, Dawn Jani can communicate with producers and writers via email. But for changes to scripts, for example, she says "in the theatre world time is money. So instead of email I use Canada VRS. With a phone call, we are able to quickly and efficiently communicate script revisions and finish in no time. I use it regularly, and from anywhere in the world."

The second story by Quebec film maker Sylvain Gélinas is equally compelling. Like Dawn Jani, his life-long passion began at an early age. Early in his career, he worked on short films and translated English- and French-language texts into sign language. As an entrepreneur, he took courses on how to launch his own start-up business, which led to the creation of *Cinéall*, a movie production company based in Quebec.



With his hearing clients in particular, Sylvain needed tools for planning discussions, especially when it comes to video production. With the launch of **SRV Canada VRS** in 2016, he recalls that "it really made a big difference. I am using it to its full potential. I can contact hearing clients and communicate with them with ease. I am able to provide more details and guide them through the production process. I can now make calls to different sources for technical information. My mission and values are to expand my professional team of Deaf individuals. Maybe together we will produce horror or comedy movies that belong to Quebec and Deaf culture."



CELEBRATING MILESTONES

Since its launch in September 2016, CAV has taken a moment out of its packed agenda to celebrate its anniversary and International Week of the Deaf.

On September 26, CAV opened its Ottawa headquarters to the Deaf community and their friends for an informal third anniversary get-together. It was an opportunity to celebrate how Canada VRS is empowering the lives of its customers, and to join as a community to observe International Week of the Deaf.

At this year's open house event, CAV unveiled two brief videos featuring customers whose lives have changed in significant ways with the help of VRS. These videos — described in this annual report — express in very compelling ways what Canada VRS can mean to those who use it. It enables better communication, of course, but it contributes to the building of strong careers and the confidence that comes with it, saves time and energy, and perhaps most of all, inspires optimism.

The 2019 open house also had a special design theme. Earlier in the year, a contest was launched over Facebook inviting followers to design a temporary Canada VRS tattoo. When the winner was chosen in August, CAV also announced the tattoo would be the design theme of the open house and distributed as a temporary tattoo at future community outreach events.

LOOKING AHEAD TO 2020

CAV continues to drive an ambitious agenda of improvements to Canada VRS, and in 2020 will deliver on a range of new initiatives across all areas of its operations.

NEW GROWTH

A commitment to increase new registrations to Canada VRS will continue in 2020. Having reached a high proportion of Deaf Canadians in the first three years of operations, it is recognized that the pace of growth on this front will ease over time. However, slower growth in one area presents CAV with opportunities to grow Canada VRS in new and innovative ways.

There is significant untapped potential to expand the use of VRS in markets and settings where it currently may be under-utilized. A good example of this is in schools where teachers, with the support of CAV's Community Relations practice, can encourage adoption for the purposes of communication and as an effective tool to enable learning and, in more senior school settings, employment. Pursuing this line of growth may also result in an increase in the average number of minutes per call.

In 2020, greater focus will also be invested in the hearing community — especially service providers. The 2018 *Don't Hang Up* campaign, designed to educate service providers about Canada VRS, kick-started a longer term effort to include the hearing community in general awareness building of VRS as a tool to lift the communication barriers between the Deaf and the hearing.

■ SERVICE IMPROVEMENTS

In 2019, planning was undertaken for an ambitious initiative to design and implement brand new user apps for PC and Mac. This is a labour- and time-intensive project that will be tested in the first half of 2020 and, if all proceeds as scheduled, will be released to customers in the summer of 2020.

In 2020, CAV also plans to introduce a new user interface (UI) for VI workstations. Already in development, it is planned for release after the new apps are launched.

Other improvements to our technology platform and to apps will be deployed throughout the year both in response to customer inquiries and needs, and proactively by CAV.

■ INNOVATIVE COMMUNITY RELATIONS

Over the past three years, meeting with people in person in both urban and remote communities has contributed significantly to growth in registration, not to mention building a stronger national Deaf community. To date, we have hosted over 250 in-person events and reached an estimated 20,000 people.

CAV's Community Relations team has done an amazing job at identifying and reaching out to the Deaf community. In 2020 we will continue to participate in targeted out-reach activities while also focusing on reaching out to stakeholder groups. Plans also include a "being good to the earth" strategy where we will employ more electronic channels and tools, such as video conferencing, webcasts and small video-based meetings to meet with customers and stakeholders.

CAV is moving in new directions on the community relations front for several reasons: reaching the Deaf community in person has hit a critical mass and growth resulting from this approach is slowing; becoming cost-efficient is always a goal; and, reducing our carbon footprint is a responsible action to take.

| FINANCIAL STATEMENTS

CANADIAN ADMINISTRATOR OF VRS (CAV), INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019



**2019
ANNUAL
REPORT**

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BOARD OF DIRECTORS OF CANADIAN ADMINISTRATOR OF VRS (CAV), INC.

Opinion

We have audited the financial statements of Canadian Administrator of VRS (CAV), Inc./Administrateur canadien du SRV (ACS), Inc. (the "Organization"), which comprise the statement of financial position as at December 31, 2019, statement of operations and net assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, and its results of 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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.

BDO Canada LLP

Chartered Professional Accountants,
Licensed Public Accountants

Mississauga, Ontario

May 6, 2020

STATEMENT OF FINANCIAL POSITION: DECEMBER 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 3,919,832	\$ 2,111,376
Short-term investments (Note 2)	7,638,352	5,091,559
Prepaid expenses	19,858	52,646
	11,578,042	7,255,581
CAPITAL ASSETS (NOTE 3)		
	41,208	57,554
INTANGIBLE ASSETS (NOTE 4)		
	853,956	566,377
	\$ 12,473,206	\$ 7,879,512
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 1,632,924	\$ 1,498,386
Current portion of deferred contributions (Note 6)	6,009,753	1,954,058
	7,642,677	3,452,444
Deferred contributions (Note 6)	3,935,365	3,803,137
Deferred capital contributions (Note 7)	895,164	623,931
	\$ 12,473,206	\$ 7,879,512

On behalf of the Board:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED DECEMBER 31

	2019	2018
REVENUE		
Contributions (Note 11)	\$ 18,002,473	\$ 16,906,215
Amortization of Capital Contributions	253,803	222,851
	18,256,276	17,129,066
EXPENDITURES		
Direct Options (Note 9)	15,728,744	14,805,716
General and Administration	2,270,856	2,097,547
Amortization on Intangible Assets	227,281	206,695
Amortization on Capital Assets	26,522	16,156
Interest and Bank Charges	2,873	2,952
	18,256,276	17,129,066
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR		
	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31

	2019	2018
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ -	\$ -
Adjustments to reconcile excess of revenue over expenses for the year to cash from operations		
Amortization of capital assets	26,522	16,156
Amortization of intangible assets	227,281	206,695
Amortization of deferred capital contributions	(253,803)	(222,851)
Accrued interest on short-term investments	(31,882)	(28,916)
Changes in non-cash working capital balances		
Prepaid expenses	32,788	1,885
Accounts payable and accrued liabilities	134,538	96,799
Current portion of deferred contributions	4,055,695	(10,656,199)
Deferred contributions	132,228	1,027,132
	4,323,367	(9,559,299)
INVESTING ACTIVITIES		
Purchase of short-term investments	(7,606,470)	(5,062,643)
Proceeds on sale of short-term investments	5,091,559	15,615,706
Purchase of capital assets	(10,176)	(26,711)
Purchase of intangible assets	(514,860)	(371,481)
	(3,039,947)	10,154,871
FINANCING ACTIVITY		
Deferred capital contributions received	525,036	398,192
INCREASE IN CASH DURING THE YEAR		
	1,808,456	993,764
CASH, BEGINNING OF YEAR		
	2,111,376	1,117,612
CASH, END OF YEAR		
	\$ 3,919,832	\$ 2,111,376

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. Significant Accounting Policies

Nature of Organization

In April of 2014, the Canadian Radio-television and Telecommunications Commission (“CRTC”) released Telecom Regulatory Policy Decision CRTC 2014 187, which established Video relay service administrator (“VRS administrator”). The mandate of the VRS administrator was set out in CRTC Telecom Regulatory Policy CRTC 2014 656 to: provide national video relay service (“VRS”) in Canada, in both American Sign Language and Langue des signes quebecoise; ensure that Deaf and Hard of Hearing individuals can communicate to hearing users using similar telecommunications facilities; provide VRS in as efficient a manner as possible, in accordance with the requirements of the CRTC; and do all things in furtherance of the forgoing.

The Canadian Administrator of VRS (CAV), Inc./Administrateur canadien du SRV (ACS), inc. (“CAV”) was incorporated without share capital under the Canada Not for profit Corporations Act to fulfil this mandate.

The CAV operates on a not-for-profit basis and, as such, is exempt from income tax pursuant to section 149(I)(I) of the Income Tax Act.

Basis of Accounting

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

Capital Assets

Capital assets are recorded at cost and are amortized over the estimated useful lives as follows:

- Furniture and fixtures - 5 years straight-line
- Leasehold improvements - Over term of the lease
- Computer equipment - 3 years straight-line

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. Significant Accounting Policies (continued)

Intangibles

Intangibles are recorded at cost and are amortized over 4 years.

Revenue Recognition

The Organization follows the deferral method of accounting for revenue. Unrestricted contributions, if any, are recognized as revenue when received while restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Contributions that are used to acquire capital assets or intangibles are deferred and recognized as revenue along with the amortization of the asset acquired.

Foreign Currency

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each liability, and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.

Use of Estimates

The preparation of financial statements in conformity 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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates as additional information becomes available in the future.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. Significant Accounting Policies (continued)

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, short-term investments are reported at fair value, with unrealized gains and losses included in contributions. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Employee Benefits

The Organization maintains an RRSP program for its employees. The employer contributes up to 6% of the employee's gross earnings. Employees are encouraged to contribute as they are able. The related expense for the year was \$18,258 (2018-\$16,005).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

2. Short-term Investments

	2019	2018
Term Deposits	\$ 7,638,352	\$ 5,091,559

Term deposits are cashable, earn interest ranging from 2.04% to 2.06% (2018 - 2.1% to 2.3%) and maturities of these investments range from April 2020 to November 2020 (2018 - January 2019 to May 2019)

3. Capital Assets

	2019		2018	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Computer Equipment	\$ 32,221	\$ 23,961	\$ 32,221	\$ 15,047
Furniture and Fixtures	41,042	25,094	41,042	16,886
Leasehold Improvements	21,859	10,109	11,683	709
Artwork	5,250	-	5,250	-
	\$ 100,372	\$ 59,164	\$ 90,196	\$ 32,642
Net Book Value		\$ 41,208		\$ 57,554

4. Intangible Assets

	2019		2018	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Computer Software	\$ 1,674,997	\$ 821,041	\$ 1,160,137	\$ 593,760
Net Book Value		\$ 853,956		\$ 566,377

Included in computer software are assets under development which have not been completed as at December 31, 2019. The total cost capitalized is \$678,303 (2018 - \$241,012) and \$Nil amortization was recorded in 2019 (2018 - \$Nil).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities is \$43,180 (2018 - \$58,240) owing to governments in respect of sales and payroll taxes.

6. Deferred Contributions

Deferred contributions consist of non-capital contributions received in advance for which the anticipated expenses have not yet occurred. To date, the Organization has received \$9,945,118 of contributions over expenses and \$6,009,753 has been designated as current deferred contributions. Such current amount equals the amount of budget surplus estimated for 2019 filed and deducted from the CRTC budget request for 2020.

	2019	2018
CURRENT AND LONG-TERM BALANCE, BEGINNING OF YEAR	\$ 5,757,195	\$ 15,386,262
Funding received	22,190,396	7,277,148
Contributions recognized in the year	(18,002,473)	(16,906,215)
CURRENT AND LONG-TERM BALANCE, END OF YEAR	9,945,118	5,757,195
Current portion - estimated surplus submitted to CRTC	6,009,753	1,954,058
Long-term portion, end of year	\$ 3,935,365	\$ 3,803,137

The actual surplus for fiscal 2019 was \$6,329,597 (2018 - 3,078,330), which was \$319,844 (2018 -\$1,124,272) above the estimate.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

7. Deferred Capital Contributions

The Organization has received annual contributions from the National Contribution Fund for the purchase of capital and intangible assets.

	2019	2018
BALANCE, BEGINNING OF YEAR	\$ 623,931	\$ 448,590
Funding received	525,036	398,192
Amortization of deferred capital contributions	(253,803)	(222,851)
Balance, end of year	\$ 895,164	\$ 623,931

8. Commitments

The minimum payments under the operating lease for CAV's headquarters and contract services, excluding the contracts disclosed under contracts for direct operations for the Organization are as follows:

2020	\$ 454,363
2021	246,308
2022	164,622
Total	\$ 865,293

Contracts For Direct Operations

The Organization has entered into five contracts with various service providers who provide the technology platform and interpretation services being offered to the public. The contracts are generally four years in length with two possible one year extensions and commenced in later 2015 to mid 2017. The projected payment amounts are between \$22.1 million and \$55.9 million depending on the assumptions for length of contracts, system usage and legal environments. The projected costs are based on current trends in growth of the subscriber base and the per customer use of the systems.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

9. Related Party Transactions

In 2019, the Organization remitted \$20,340 (2018 - \$33,900) for quality assurance services received from a permanent invitee of the Board of Directors. The costs are included in direct operations expenses in the statement of operations. The transaction was in the normal course of operations and is recorded at the exchange amount, which is the amount agreed upon by the related parties.

10. Financial Instrument Risk

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of its short-term investments. This risk has not changed from prior year.

11. Economic Dependence

The Organization's budget is approved annually by the CRTC and is paid through the National Contribution Fund (NCF) based on a submission by the Organization to the CRTC made in the year prior to the funding year. One twelfth of the annual approved funding is disbursed each month. In 2019, as per Telecom Decision CRTC 2016 472, the approved funding level was \$22,527,815 (2018 - \$7,463,868) or \$1,887,318 (2018 - \$621,989) per month, starting in January of 2019. Funding was approved for the 2020 calendar year as per Telecom Decision CRTC 2019 394 in the amount of \$16,032,739 or \$1,336,062 per month. This amount represents projected expenditures of \$22,042,492, less the 2019 projected surplus to the annual budget submitted to the CRTC of \$6,009,753. It is expected that the 2020 funding plus the deferred contributions balance at December 31, 2019 will be used to cover budgeted expenditures for 2020.

12. Subsequent Event

On March 11, 2020 the World Health Organization declared the outbreak of the coronavirus (COVID-19) pandemic. CRTC has identified VRS as an essential service, and therefore not subject to closure during the pandemic. The Organization has taken several steps to allow the service to continue to operate and meet increased demand while also protecting the health and welfare of the people providing the service, including the video interpreters and customer service agents working for the various service providers, and contract and administrative staff.

Although the full impact of the virus on the Organization's operations are not known, the Organization has experienced a dramatic increase in the number and average length of calls. The concomitant increase in utilization has somewhat offset the financial impact of the increase in the number and average length of calls.