



**Access is  
Opportunity**



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# MESSAGE FROM THE CEO AND EXECUTIVE DIRECTOR

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It is my pleasure to present the 2018 annual report for the Canadian Administrator of VRS, Inc. (CAV).

Last year, we made significant gains in improving and refining **SRV Canada VRS**, making it an even more reliable and trusted service.

As we closed out the year, we had nearly 6,500 registered customers, representing a 27% increase over 2017! Growth in call volumes was equally impressive. In 2018, our Video Interpreters (VIs) completed about 480,000 calls. Considering that each of these calls involves a Deaf person and Hearing person, one can extrapolate that VRS facilitated nearly one million connections.

Our growth was not accidental. It was the result of hard work by CAV's staff and the service partners who make up CAV's "ecosystem": IVèS Canada, Convo Canada, SLIAO, Sivet and ISEP. Our partners worked collaboratively to stabilize and refine our VRS technology platform and apps, while delivering excellent quality sign language interpretation and Customer Service. I'd also like to express my admiration for the talented sign language interpreters and Customer Service representatives who serve customers in



ASL, LSQ, English and French languages. They answer questions expertly and interpret calls for a very unique and diverse customer base.

The ecosystem we have created to deliver **SRV Canada VRS** isn't just enabling telephone calls, it is creating a growing number of interesting and sustainable jobs across the country. For example, Deaf Canadians are now working in Customer Service roles, as call centre team leaders, in CAV's HQ support team, and as Community Relations Specialists (Outreach).

Targeted outreach was one of CAV's major objectives in 2018. It is designed to reach and educate Deaf and Hearing communities across Canada. To that end, we participated in more than 100 events, connecting with more than 8,500 people including

Deaf children, seniors, professionals, Indigenous people, new Canadians, and so many more. These events were opportunities to educate diverse communities about VRS, help them become registered users, and teach them how to use the tools and features that come with our service. They also enabled CAV to solve technical issues and learn from customers firsthand how they use VRS and how they believe **SRV Canada VRS** can be improved.

Part of our commitment to community education also entails educating Hearing Canadians about VRS and what they should do when a VRS call is received. In 2018 at our Annual Open House, we premiered our first Public Service Announcement (PSA) called "Don't Hang Up", designed to raise awareness about **SRV Canada VRS**.

The PSA features Dr. Jessica Dunkley, Canada's first Deaf, Métis medical doctor, who uses VRS in her practice to communicate with colleagues and patients. Our team was excited to learn that the PSA was broadcast across Canada in both English and French television markets and during hit shows like *Ellen*. It was well received and served as a powerful educational tool to bridge Deaf and Hearing Canadians.

As much as we are committed to educate our customers, they in turn seek to educate us about their needs and wants regarding VRS. Throughout the year, we worked to implement their suggested changes. For example, we made design changes and added new features to our apps to improve the customer experience. We also offered customers an optional second number for business use, extended Customer Service hours, made improvements to our Video Interpreter workstation software, and much more.

As a service that has been operational for just over two years, I find that the journey for

continuous improvement and greater customer acceptance continues. For their efforts, I would like to thank the staff at CAV, our Board of Directors, and all of the service providers that make up our ecosystem, for their continued diligence and hard work. Most of all, I want to express my gratitude to all our customers for their input in helping to shape the future of **SRV Canada VRS**.



**Sue Decker**

CEO and Executive Director

# MESSAGE FROM THE INTERIM CHAIR OF THE BOARD OF DIRECTORS

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It was an honour for me in 2018 to step in as Interim Chair of the Board of Directors with the departure of Cynthia Benoit in October.

As Chair, Cynthia brought to her role great depth of knowledge of and access to Canada's ASL and LSQ communities. I want to thank and congratulate her, on behalf of my fellow CAV Board members, for her passionate advocacy for the Deaf and her contribution in transforming **SRV Canada VRS** from a dream to a robust national communications service.

Both as a Director on the Board and in my time as Interim Chair during the past year, I was impressed with the focus and energy that Sue Decker and her staff brought to their commitment to grow and improve **SRV Canada VRS**. On its own, their work is an impressive feat. But what it means for Canada's Deaf and Hard of Hearing community — and all those who communicate with them — is far greater.

In 2018, I witnessed **SRV Canada VRS** mature as a service. Through CAV's efforts, it



grew stronger roots and secured its rightful place as a reliable, robust communications tool for its customers. With VRS, Deaf Canadians are empowering themselves to access everything from medical and banking services to meaningful employment and everyday tasks that require making telephone calls. **SRV Canada VRS** fuels confidence, placing Deaf Canadians on an equal footing with the Hearing community.

I want to thank my fellow Board members for the unique perspective and talent they are bringing to help guide **SRV Canada VRS** on its ongoing

journey. I also want to thank and congratulate Sue Decker and her team for their vision, passion and hard work in 2018. The contribution they are making to Deaf and Hard of Hearing Canadians — and to all Canadians — can't be overstated.

A handwritten signature in black ink, appearing to read 'S. D'Onofrio'.

**Tony D'Onofrio**

Interim Chair  
of the Board of Directors

# ABOUT CAV

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## VISION

EMPOWER DEAF CANADIANS

The Canadian Administrator of VRS (CAV), Inc., or CAV is a not-for-profit 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 or Hard of Hearing Canadians who use American Sign Language (ASL) and Langue des signes Québécoise (LSQ) to make telephone calls via Internet-based videoconferencing technology.

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.

## MISSION

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

## CHANGES TO OUR BOARD

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In 2018, the CAV Board of Directors said goodbye and offered best wishes to Cynthia Benoit, its first Chair of the Board and LSQ Director. Board Director Tony D'Onofrio agreed to assume responsibilities as Interim Chair until a new, permanent Chair of the Board is selected.

Lisa Anderson-Kellett also left the Board with CAV's best wishes after serving as a Director representing Deaf and Hard of Hearing stakeholders for three years between May 2015 and May 2018.

With their departures, CAV was honoured to welcome a number of new Directors to the Board. Dr. Jessica Dunkley, a Deaf physician and the subject of the first **SRV Canada VRS** public service announcement, joined as an ASL Director in May. Nigel Howard served on the Board from April 2017 until July 2018. Renu Sangha arrived in October to replace Mr. Howard as an ASL/LSQ Director. Toward the end of the year, David Joseph was selected to begin serving on the Board as an LSQ Director, with a start date of the beginning of January 2019.

## THE 2018 BOARD OF DIRECTORS OF THE CANADIAN ADMINISTRATOR OF VRS (CAV)

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**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 Interim Chair of the Board of Directors.

## CAV STAFF

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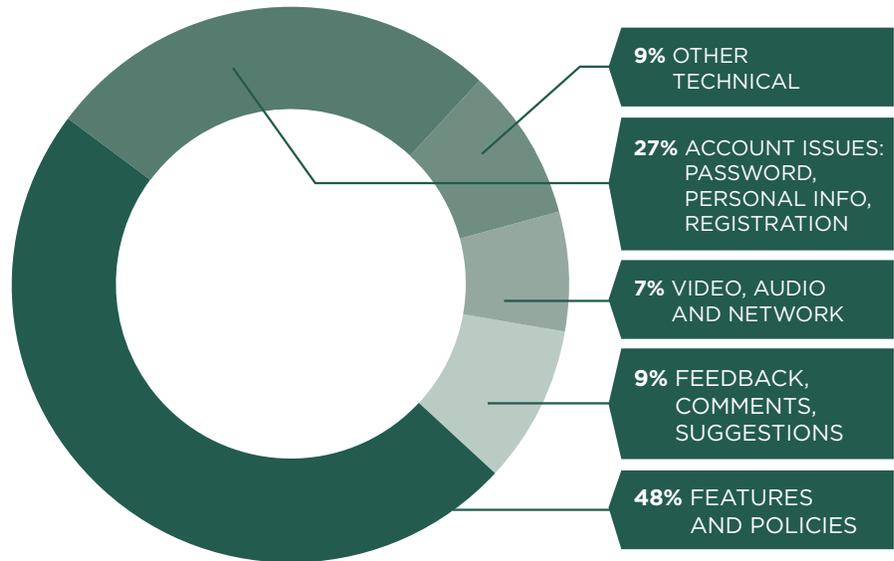


**From left to right:** Pamela Witcher, Community Relations Manager; Sue Decker, CEO and Executive Director; Jonathan Masters, Acting Chief Financial Officer and Chief Operating Officer; Ellen Thomas, Executive Assistant.

# THE YEAR IN REVIEW

The second full year of **SRV Canada VRS** operations was strong on a number of levels. Solid growth in awareness and adoption of the service continued at a steady pace. In addition, improvements to CAV's technology platform, its Video Interpreter (VI) and Customer Service operations, together with strategically executed Community Relations (Out-reach) activities, instilled a growing confidence in VRS and reliance on it as a tool for communications and empowerment.

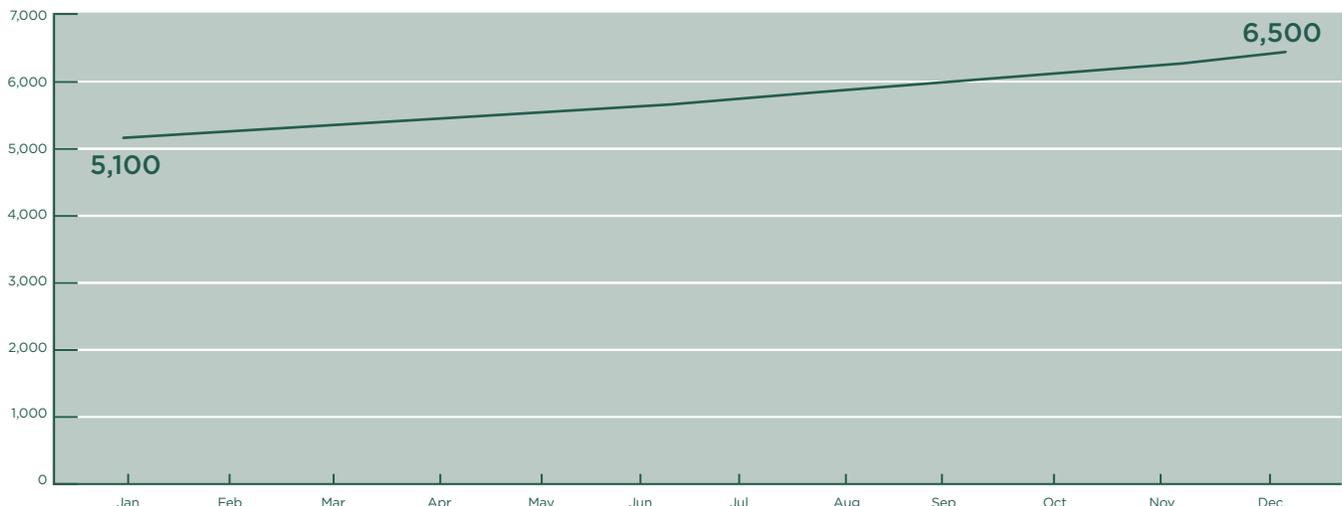
## CUSTOMER SERVICE INQUIRIES BY CATEGORY



	12 months ending Dec. 31, 2018
Registrations: Growth Rate per month	<b>2.20%</b>
Usage: Growth Rate per month	<b>0.70%</b>

## 2018 GROWTH

Annual growth is 27% and growth rate is 2.2% per month.



## HOURS OF USAGE

### Actuals with linear trendlines (dotted)



### 2018 BY THE NUMBERS

We began the year with about 5,100 registered VRS customers and ended it with 6,500 customers, a 27% increase.

The number of calls also grew dramatically — from 320,000 calls in 2017 to about 480,000 in 2018. It is important to note that these 480,000 calls handled by VIs translated into nearly 1 million connections between Deaf and Hearing Canadians.

### SRV CANADA VRS NOW HAS 15 CALL CENTRES ACROSS CANADA AND THE U.S. WITH MORE THAN 300 VIDEO INTERPRETERS (VIs)

CAV's call centres handily beat the international standard best practice of answering 80% of calls within 120 seconds on a daily basis. **SRV Canada VRS** answered over 90% of calls within a 120 seconds.

The average length of call was just over 5 minutes, down slightly from the previous year, indicating greater customer comfort and efficiency in the calls. The average wait time to connect to a call also decreased, from 34 seconds in 2017 to 32 seconds in 2018.

We also experienced a decrease in the number of Deaf to Hearing calls from 80% to 76% with offsetting increases in calls from Hearing to Deaf VRS customers from 19% to 23%, indicating growing awareness and acceptance of **SRV Canada VRS** among Hearing Canadians.

### USER AGREEMENT UPDATE

In June 2018, CAV published updates to its **SRV Canada VRS** User Agreement to reflect the evolution of the service and to ensure uniform high-quality service for customers.

Additions were designed to provide more flexibility for how customers use the service, better options for privacy, and to ensure the heavy use of the service by a few customers does not prevent access to VRS by other customers, or place unduly heavy demands on Video Interpreters.

## SRV CANADA VRS CALL METRICS

CALL TYPE	2017	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2018 Total
Total Calls	318,480	110,277	116,426	121,779	124,474	472,956
Deaf to Hearing	80%	77%	76%	75%	76%	76%
Hearing to Deaf	19%	22%	23%	24%	24%	23%
Point to Point	1%	1%	1%	1%	1%	1%

### BROWSER AND APP UPDATES

In the spring of 2018, CAV improved the quality of its customers' user experience with software updates to its Mac and PC app, making the experience as seamless as possible. But, for those who may have experienced challenges, additional helpful update instructions were published on the **SRV Canada VRS** website and a video was posted on YouTube.

CAV endeavours to deliver excellent quality service at all times. When Apple released its Mojave operating system and upgraded its Safari web browser to Version 12 in September, it no longer supported CAV's Mac application. Our technical team went straight to work to develop a work-around solution. Through their quick action and very clear directions, customers were

notified several days in advance that they should disable the automatic upgrade to their browser and install a new version of the **SRV Canada VRS** application and a browser called Waterfox, on which the application would be compatible. To guide customers, full instructions were posted on the website.

Based on focus groups held with customers and feedback through Customer Service, improvements were made throughout the year to the VRS app. Examples include enabling full screen view and easier control of the size of the video screen, and more convenient placement of the ASL to LSQ language selection button.

### ENHANCEMENTS TO TECHNOLOGY

In the summer of 2018, **SRV Canada VRS** added Caller ID

and Caller ID - Hide Function to its VRS accounts. Until these new features were introduced, customers' 10-digit number and in some cases their name were automatically displayed to the person receiving a call. With the new Caller ID - Hide Function, customers have the option to disclose - or not - their caller ID information. Instead of a name and number, the person receiving the call sees "Private", "Private Caller", or "Unknown" in the display box. This new feature places the customer in complete control of their personal information.

For VRS customers, sometimes it makes good sense to enable the Wireless Location Information (WLI) on their smart phone or tablet. Operating in conjunction with GPS, it can help in times of an emergency to locate a caller who is away from their registered

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**“There are 22 Oneida Deaf members living on the Oneida Reserve, and my own Deaf children aren’t able to make calls just like how Oneida Hearing children could. Oneida is our home, and we want to be able to use Video Relay Service on our own land. We don’t want to be forced to leave for the city to access our telecommunications.”**

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AMY IRELAND, DEAF GATHERING (IDG), ONEIDA, ONTARIO

physical location. Or it can be used to get directions to a destination or to find the closest restaurant.

In the Fall of 2018, CAV announced that customers could enable WLI fully by turning on the location feature on their device and giving permission to the **SRV Canada VRS** app to use it.

For some customers, in particular those who operate businesses, one number may not be enough to manage both personal and work-related calls. In the summer of 2018, CAV modified its service offering to permit customers to have two numbers, enabling them to keep their personal and business needs separate and better organized.

### **STRENGTHENING CUSTOMER SERVICE**

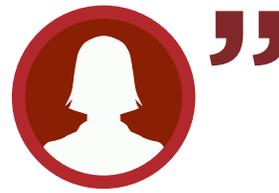
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Customer Service representatives play a critical role in delivering

seamless, high-quality calling experiences every day. Located in Montreal, CAV’s Customer Service centre employs talented, Deaf, bilingual professionals who are knowledgeable and passionate about VRS and are committed to help customers learn about and use the service, as well as solve technical problems.

To make Customer Service more readily available in Western regions of Canada, in 2018 **SRV Canada VRS** hours of operation were extended to 9:00 p.m. ET to 6:00 p.m. PT on Wednesdays and Thursdays.

In addition, Customer Service was made more convenient with the introduction of Live Chat. With Live Chat, customers and not-yet customers have a quick, convenient way to get technical support using a live, video-based option on the **SRV Canada VRS** website to reach



a Customer Service representative. Live Chat is available during Customer Service hours and on desktop versions of Chrome and Firefox on Windows, and on Safari and Waterfox on Mac.

### **IMPROVEMENTS FOR VIDEO INTERPRETERS (VIs)**

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VIs are the backbone of **SRV Canada VRS**, and CAV recognizes that while these are very desirable jobs that provide steady, high-quality employment, the work can often be challenging and intense.

Located in 15 call centres across Canada and throughout the U.S., 300 VIs, with diverse backgrounds and well connected in their communities, worked in ASL and LSQ to manage close to 480,000 calls last year to facilitate nearly 1 million connections between Deaf and Hearing Canadians, enabling smooth, real-time conversations.

Improving the tools that VIs use to manage calls is important.

In 2018, CAV worked closely with VIs across all five video interpreter provider companies — IVès Canada, Convo Canada, SLIAO, Sivet and ISEP — to make general improvements to their interpreter work station interface. In addition, a new CAV Quality Assurance program was



introduced to further standardize and professionalize the VIs' jobs across both ASL and LSQ languages, in all vendor organizations.

### **BUILDING COMMUNITY RELATIONS**

The most powerful way to connect with Canada's Deaf and Hard of Hearing communities is face to face. That's why CAV's busy Community Relations team participated in 113 events last year, witnessing empowerment in action firsthand.

These events enabled CAV's Community Relations Manager and team of specialists to immerse themselves in diverse cultural traditions, help people register for **SRV Canada VRS**, coach them on how to leverage the power of VRS, and solve technical issues for new and existing customers.

During the year, CAV engaged six talented and qualified ASL and LSQ community relations specialists, who fanned across Canada and connected with 8,500 people. Together, the team helped to build and strengthen **SRV Canada VRS'** ever-growing Deaf community customer base. Perhaps as importantly, they spoke with customers who shared their

**“Three days after the launch of SRV Canada VRS, an employee of a company that I applied to connected with me and asked how he could contact me. I thought why the heck not, I made my very first VRS call and dialed him up for what we could call an interview. Apparently, the fact that I was Deaf was overlooked and our phone interaction went smoothly. We even joked around and laughed together through the interpreter which was amazing.**

**Yes, I got the job - chosen out of 35 applicants! Not bad, eh?! All this because of VRS. Thank you, SRV Canada VRS.”**

**FORREST SMITH,  
PRESIDENT, BRITISH COLUMBIA CULTURAL SOCIETY OF THE DEAF (DEAF ASL)**

FROM VIDEO RECORDED AT WORKSHOP WITH THE BRITISH COLUMBIA CULTURAL SOCIETY OF THE DEAF AND THE GREATER VANCOUVER ASSOCIATION OF THE DEAF

stories about what VRS means to them in their day-to-day lives and how the service places them on a more even footing with their Hearing Canadian counterparts. Many of these stories are reproduced in the pages of this year's annual report.

Community Relations events were instrumental in providing CAV with insight into how people use VRS, what they like, and what could be improved and refined. For example, the Ottawa Deaf Expo held in Ottawa in September gave attendees a

safe space to break the ice with people, get some hands-on practice with VRS, and facilitate using VRS as a communications tool.

Truly, CAV received as much or more out of its engagement efforts than it gave. To see Deaf children, seniors, Indigenous peoples, urban and rural dwellers, entrepreneurs and public servants use Canada's VRS validated more than anything else the importance and value of this national service.

## SRV CANADA VRS COMMUNITY RELATIONS SPECIALISTS

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### **Zohaib (Zoh) Qureshi**

A resident of Niagara Falls, Ontario, Zoh has a Bachelor of Science degree in International Business and a Master of Public Administration degree from Gallaudet University.



### **Bryan Johnson**

Bryan is a long-term volunteer in Canada's Deaf community, working with organizations to protect Deaf rights and enhance the quality of Deaf life.



### **Diane Underschultz**

With a diverse educational background, Diane is passionate about technology and helping people to increase accessibility in the Deaf and Hard of Hearing communities.



### **Jennifer Rimmer**

Residing in St. John's, Newfoundland, Jennifer is a community advocate for the Deaf and believes everyone should have easy access to communications and information.



### **Imran Hakamali**

A native of Calgary, Alberta and currently living in Vancouver, British Columbia, Imran is an alumni of Gallaudet University and is passionate about ASL.



### **Martin Boucher**

Martin is an award-winning LSQ Deaf advocate recognized for his commitment to social, cultural and community interests, as well as global diversity.

## 2018 COMMUNITY ENGAGEMENT IN ACTION

**113**  
EVENTS ACROSS  
CANADA

**8,500**  
PARTICIPANTS

**1,038**  
VRS CUSTOMERS  
REGISTERED

74 ASL EVENTS  
16 LSQ EVENTS  
7 ASL/LSQ EVENTS  
16 ASL/MSL

**26**  
EDUCATIONAL  
CIRCLE EVENTS  
WITH PROFESSIONALS,  
PARENTS, CHILDREN  
AND YOUTH.



## EVENTS WITH

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



**Above and left:** Attendees enjoying open house celebration for **SRV Canada VRS's** second anniversary. **Top left:** Sue Decker, Dr. Jessica Dunkley, Ania Luedee, Catherine Maier.



## **DON'T HANG UP!**

The open house to celebrate the second anniversary of **SRV Canada VRS** on September 20 was a fitting backdrop to launch *Don't Hang Up!* – CAV's first public service announcement (PSA).

*Don't Hang Up!* is a one-minute video message designed to reach and raise awareness of VRS among Hearing Canadians, especially those who work in businesses, banks, healthcare facilities, government agencies and other services.

The PSA features Dr. Jessica Dunkley, a Deaf, Métis medical doctor who helps to illustrate the value of the **SRV Canada VRS** app and its potential among Hearing Canadians to communicate easily and effectively with Deaf Canadians.

By the end of 2018, *Don't Hang Up!* had been distributed across Canada in both English and

## **WE CELEBRATE**

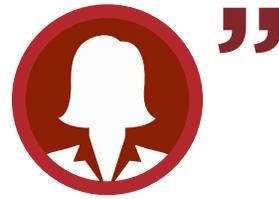
For CAV, celebrating milestones has become a happy tradition.

On September 20, CAV held an open house at its headquarters to celebrate the second anniversary of the launch of **SRV Canada VRS** and to mark national Deaf Awareness Month.

There was plenty to celebrate. As CAV entered its last quarter of the year, it was well on track to set new records in customer

registrations and call volumes, with call centre, Video Interpreter and Customer Service resources all growing steadily.

CAV was pleased to welcome a number of special guests, including representatives from the Canadian Radio-television and Telecommunications Commission; the City of Ottawa; and Dr. Jessica Dunkley, the subject of the *Don't Hang Up!* public service announcement launched in September.



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“I’ll be honest with you and say that I am Hearing. I use VRS with my Deaf friends, and it is totally satisfactory every time! I am able to have a real-time connection with my Deaf friends whose emotions are clearly portrayed through the facilitation of the Video Interpreters. Their LSQ and issues become accessible for me and I am able to understand their situation better. It cannot be denied that VRS raises quality of everyday lives, and the service has my utmost appreciation!”

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MÉLANIE LEBLANC,  
CONSEILLÈRE INDÉPENDANTE, QC (HEARING, LSQ)

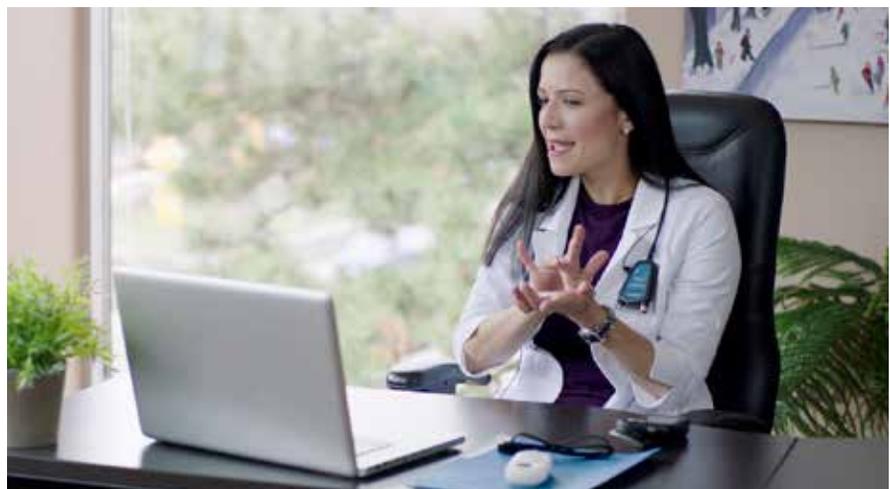


French television markets and during hit shows like *Ellen*, and was viewed thousands of times on TV and on **SRV Canada VRS**’ YouTube channel. It is a compelling example of how CAV educates Canadians on how VRS is a tool for empowerment.

### **CUSTOMER SATISFACTION — 2018**

In late 2018, CAV issued a customer satisfaction survey, delivered in English and French with ASL and LSQ videos to all registered customers, that provided valuable insight into how **SRV Canada VRS** customers are using the service and how they rate it.

The results show that customers rank health at the top of five most important reasons for using their



**Top:** Shooting Dr. Jessica Dunkley for the national broadcast PSA.  
**Above:** Still from national broadcast PSA.

VRS, the others being connecting with family and friends, and accessing services including work, government and food. In short, the survey validated that people are using **SRV Canada VRS** how it was intended to be used – as a tool to enable easier access to

people, goods and services.

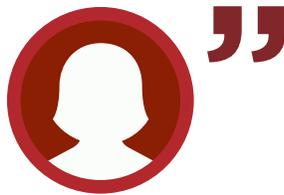
VRS satisfaction levels were high. In response to questions about technical quality, the quality of Video Interpreter services, 86% of respondents rated overall satisfaction of good or excellent.

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“I use **SRV Canada VRS** from every corner of the world to communicate with my Canadian theatre friends and it’s getting me more opportunities. I am going to establish my own theatre company. **SRV Canada VRS** has become essential, not just for theatre but for personal and professional engagements.”

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DAWN JANI BIRLEY, DEAF ACTRESS



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“Why am I totally satisfied with using the service of VRS? Let me explain.

For my work, I use phone all the time. Before VRS, the calls were on a TTY and through Bell Relay Service (BRS). Just one call consumed a lot of my time. If we compare the usage time through the BRS on a TTY and VRS on a video screen for the same phone call, I would say it’s 1 hour compared to 15 minutes

Secondly, French isn’t my maternal language and it took triple the work for me to find ways to explain what I wanted to say on a TTY through BRS.

At work, my position requires a lot of person-to-person support with our clients who deal with human rights and illiteracy and literature support along with a list of many other issues. A lot of the issues are dealt in French, and we are offering support that requires frequent translation between French and LSQ to provide clients support in their maternal language. So, VRS is a perfect facilitation between us, the signers and the world, the speakers.

**SRV Canada VRS, please stick with us forever!”**

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LYNE NOISEUX,  
EXECUTIVE ASSISTANT, QC (DEAF, LSQ)

ASSOCIATION DES PERSONNES VIVANT AVEC LA SURDITÉ DE LAVAL



# LOOKING AHEAD TO 2019

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By the end of 2018, **SRV Canada VRS** was in service for just over two years. Building on this experience, CAV has set an ambitious schedule for growth and improvement in 2019.

CAV continues to be guided not just by its vision to empower Deaf Canadians, but by its commitment to explore new potential. In 2019, focus will be placed on customer growth and usage, advances in technology, software and interpreter services, and continued community engagement.

## GROWTH

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CAV is confident there remains significant potential to increase registrations and usage of **SRV Canada VRS**. In 2019, CAV will continue outreach to Deaf communities across Canada to bring new customers on board and to encourage greater use of the service.

As the service matures, so does its appeal. The growing awareness of **SRV Canada VRS** in the Hearing community is enabling existing and potential Deaf customers to communicate efficiently — and more frequently — via video-based phone calls with providers of goods and services, and with family and friends.

The *Don't Hang Up!* public service announcement launched in

September 2018 will continue to do its work in the coming year. It will help raise awareness among governments, banks, schools, retail and other services that there is a quick and easy way to communicate with the Deaf and Hard of Hearing. For the Deaf, the PSA will help to open doors to services that have been more of a challenge to access in the past.

## IMPROVING SERVICES

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Delivering quality service and continuous improvements on all service fronts will be priorities in 2019. Before the end of 2018, CAV already had a plan in place to develop new programs to:

- Refine and improve customer experience.
- Continue to refine the **SRV Canada VRS** technology platform.
- Implement the new Quality Assurance and Workforce Management Program to ensure consistent high quality service across all Video Interpreter provider companies (Convo Canada, SLIAO, Sivet, ISEP and Ivés Canada), which operate in ASL/English or French/LSQ languages.
- Help customers get the most out of their VRS apps with new learning tools and sharing those tools broadly.

## COMMUNITY RELATIONS

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The community relations agenda for 2019 will be as ambitious as it was in 2018. CAV's Community Relations Manager, together with the team of community outreach specialists hired and trained this year and expected to grow in the next 12 months, have developed a plan to fan out across the country again in the coming year to bring information and support to potential and existing VRS customers.



**“Through the use of VRS, the excellent service provides me equal accessibility in terms to freedom of expression at any time I need, from anywhere I am and to whomever I need to reach out to.**

**Yes, it's real-time equality!”**

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ROSALIE LABELLE,  
COLLEGE STUDENT, QC (DEAF, LSQ)  
CÉGEP AHUNSTIC

VIDEOS RECORDED AT INTERNATIONAL  
WOMEN'S DAY EVENT TITLED DEAFHOOD  
AND FEMINISM

# FINANCIAL STATEMENTS

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CANADIAN ADMINISTRATOR OF VRS (CAV), INC.  
FOR YEAR ENDED  
DECEMBER 31, 2018

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**CAV-ACS**

Canadian Administrator of VRS (CAV), Inc.  
Administrateur canadien du SRV (ACS), inc.

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# INDEPENDENT AUDITOR'S REPORT

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**To the Members of the Board of Directors of Canadian Administrator of VRS (CAV), Inc.**

## **OPINION**

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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, 2018, 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, 2018, 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**

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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.

## **EMPHASIS OF MATTER - RESTATED COMPARATIVE INFORMATION**

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We draw attention to Note 2 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2017 has been restated. The financial statements for the year ended December 31, 2017 (prior to the adjustments that were applied to restate certain comparative information explained in Note 2) were audited by another auditor who expressed an unmodified opinion on those financial statements on May 3, 2018. Our opinion is not modified in respect of this matter.

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

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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.

# INDEPENDENT AUDITOR'S REPORT (continued)

## 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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Mississauga, Ontario  
May 21, 2019

# STATEMENT OF FINANCIAL POSITION: DECEMBER 31, 2018

	2018	2017
<b>ASSETS</b>		AS RESTATED (NOTE 2)
<b>CURRENT</b>		
Cash	\$ 2,111,376	\$ 1,117,612
Short-term investments (Note 3)	5,091,559	15,615,706
Prepaid expenses	52,646	54,531
	<b>7,255,581</b>	16,787,849
<b>CAPITAL ASSETS (NOTE 4)</b>		
	<b>57,554</b>	46,999
<b>INTANGIBLE ASSETS (NOTE 5)</b>		
	<b>566,377</b>	401,591
	<b>\$ 7,879,512</b>	\$ 17,236,439
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 1,498,386	\$ 1,401,587
Current portion of deferred contributions (Note 7)	1,954,058	12,610,257
	<b>3,452,444</b>	14,011,844
<b>Deferred contributions</b> (Note 7)	<b>3,803,137</b>	2,776,005
<b>Deferred capital contributions</b> (Note 8)	<b>623,931</b>	448,590
	<b>\$ 7,879,512</b>	\$ 17,236,439

**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

	2018	2017
<b>REVENUE</b>		AS RESTATED (NOTE 2)
Contributions (Note 12)	<b>\$ 16,906,215</b>	\$ 12,031,229
Amortization of capital contributions	<b>222,851</b>	198,740
	<b>17,129,066</b>	12,229,969
<b>EXPENDITURES</b>		
Direct operations	<b>14,805,716</b>	10,152,298
General and administration	<b>2,097,547</b>	1,876,526
Amortization on intangible assets	<b>206,695</b>	188,138
Amortization on capital assets	<b>16,156</b>	10,602
Interest and bank charges	<b>2,952</b>	2,405
	<b>17,129,066</b>	12,229,969
<b>EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR</b>		
	-	-
<b>NET ASSETS, BEGINNING OF YEAR AS PREVIOUSLY STATED</b>		
	<b>15,834,852</b>	1,856,004
<b>RESTATEMENT (NOTE 2)</b>		
	<b>(15,834,852)</b>	(1,856,004)
<b>NET ASSETS, BEGINNING OF YEAR AS RESTATED</b>		
	-	-
<b>NET ASSETS, END OF YEAR</b>		
	<b>\$ -</b>	\$ -

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

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
<b>CASH PROVIDED BY (USED IN)</b>		AS RESTATED (NOTE 2)
<b>OPERATING ACTIVITIES</b>		
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	16,156	10,602
Amortization of intangible assets	206,695	188,138
Amortization of deferred capital contributions	(222,851)	(198,740)
Accrued interest on short-term investments	(28,916)	(61,000)
Changes in non-cash working capital balances		
Prepaid expenses	1,885	(39,579)
Accounts payable and accrued liabilities	96,799	540,552
Current portion of deferred contributions	(10,656,199)	13,276,951
Deferred contributions	1,027,132	816,017
	<b>(9,559,299)</b>	14,532,941
<b>INVESTING ACTIVITIES</b>		
Purchase of short-term investments	(5,062,643)	(15,554,706)
Proceeds on sale of short-term investments	15,615,706	-
Purchase of capital assets	(26,711)	(30,464)
Purchase of intangible assets	(371,481)	(54,156)
	<b>10,154,871</b>	(15,639,326)
<b>FINANCING ACTIVITY</b>		
Deferred capital contributions received	398,192	84,620
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>		
	<b>993,764</b>	(1,021,765)
<b>CASH, BEGINNING OF YEAR</b>		
	<b>1,117,612</b>	2,139,377
<b>CASH, END OF YEAR</b>		
	<b>\$ 2,111,376</b>	\$ 1,117,612

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

# NOTES TO FINANCIAL STATEMENTS

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**DECEMBER 31, 2018**

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## 1. Significant Accounting Policies

### **Nature of Organization**

In April of 2014, the Canadian Radio-television and Tele-communications 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(1)(l) 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

### **Intangibles**

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

# NOTES TO FINANCIAL STATEMENTS

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**DECEMBER 31, 2018**

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## **1. Significant Accounting Policies (continued)**

### **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

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**DECEMBER 31, 2018**

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## **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 \$16,005 (2017 - \$32,007).

# NOTES TO FINANCIAL STATEMENTS

## DECEMBER 31, 2018

### 2. Prior Period Restatement

During the year, management changed the presentation of its financial statements such that income previously recognized as unrestricted contributions is now treated as restricted contributions. As a result, the comparative information has been restated to conform with the presentation adopted in the current year as follows:

#### Statement of financial position as at December 31, 2017

<b>Current portion of deferred contributions, as previously stated</b>	\$ -
<b>Increase in current portion of deferred contributions</b>	12,610,257
<b>Current portion of deferred contributions, as restated</b>	<b>\$ 12,610,257</b>
<b>Deferred contributions, as previously stated</b>	\$ -
<b>Increase in deferred contributions</b>	2,776,005
<b>Deferred contributions, as restated</b>	<b>\$ 2,776,005</b>
<b>Deferred capital contributions, as previously stated</b>	\$ -
<b>Increase in deferred capital contributions</b>	448,590
<b>Deferred capital contributions, as restated</b>	<b>\$ 448,590</b>
<b>Unrestricted net assets, as previously stated</b>	\$ 15,386,262
<b>Decrease in unrestricted net assets</b>	(15,386,262)
<b>Unrestricted net assets, as restated</b>	<b>\$ -</b>
<b>Invested in tangible and intangible capital assets, as previously stated</b>	\$ 448,590
<b>Decrease in invested in tangible and intangible capital assets</b>	(448,590)
<b>Invested in tangible and intangible capital assets, as restated</b>	<b>\$ -</b>

# NOTES TO FINANCIAL STATEMENTS

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**DECEMBER 31, 2018**

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## 2. Prior Period Restatement (continued)

Statement of operations and net assets for the year ended December 31, 2017

<b>Contributions, as previously stated</b>	\$ 26,086,098
<b>Decrease in contributions</b>	(14,054,869)
<b>Contributions, as restated</b>	<b>\$ 12,031,229</b>
<b>Amortization of deferred capital contributions, as previously stated</b>	\$ -
<b>Increase in amortization of deferred capital contributions</b>	198,740
<b>Amortization of deferred capital contributions, as restated</b>	<b>\$ 198,740</b>
<b>Net assets, end of year, as previously stated</b>	\$ 15,834,852
<b>Decrease in net assets</b>	(15,834,852)
<b>Net assets, end of year, as restated</b>	<b>\$ -</b>

# NOTES TO FINANCIAL STATEMENTS

## DECEMBER 31, 2018

### 2. Prior Period Restatement (continued)

Statement of cash flows for the year ended December 31, 2017

Excess of revenue over expenses, as previously stated	\$ 13,978,848
Decrease in revenue over expenses	(13,978,848)
Excess of revenue over expenses, as restated	\$ -
Amortization of deferred capital contributions, as previously stated	\$ -
Decrease in amortization of deferred capital contributions	(198,740)
Amortization of deferred capital contributions, as restated	\$ (198,740)
Current portion of deferred contributions, as previously stated	\$ -
Increase in deferred contributions	13,276,951
Current portion of deferred contributions, as restated	\$ 13,276,951
Deferred contributions, as previously stated	\$ -
Increase in deferred contributions	816,017
Deferred contributions, as restated	\$ 816,017
Deferred capital contributions received, as previously stated	\$ -
Increase in deferred capital contributions received	84,620
Deferred capital contributions received, as restated	\$ 84,620

# NOTES TO FINANCIAL STATEMENTS

## DECEMBER 31, 2018

### 3. Short-term Investments

	2018	2017
Term Deposits	\$ 5,091,559	\$ 15,615,706

Term deposits are cashable, earn interest ranging from 2.1% to 2.3% (2017 - 1.45% to 1.67%) and maturities of these investments range from January 2019 to May 2019 (2017 - January 2018 to June 2018).

### 4. Capital Assets

	2018		2017	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Computer Equipment	\$ 32,221	\$ 15,047	\$ 18,245	\$ 7,633
Furniture and fixtures	41,042	16,886	39,990	8,853
Leasehold improvements	11,683	709	-	-
Artwork	5,250	-	5,250	-
	\$ 90,196	\$ 32,642	\$ 63,485	\$ 16,486
Net book value		\$ 57,554		\$ 46,999

### 5. Intangible Assets

	2018		2017	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Computer Software	\$ 1,160,137	\$ 593,760	\$ 788,656	\$ 387,065
Net book value		\$ 566,377		\$ 401,591

Included in computer software are assets under development which have not been completed as at December 31, 2018. The total cost capitalized is \$241,012 (2017 - \$Nil) and \$Nil amortization was recorded in 2018 (2017 - \$Nil).

# NOTES TO FINANCIAL STATEMENTS

## DECEMBER 31, 2018

### 6. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities is \$58,240 (2017 - \$133,500) owing to governments in respect of sales and payroll taxes.

### 7. 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 \$5,757,195 of contributions over expenses and \$1,954,058 has been designated as current deferred contributions. Such current amount equals the amount of budget surplus estimated for 2018 filed and deducted from the CRTC budget request for 2019.

	2018	2017
		As restated (Note 2)
<b>CURRENT AND LONG-TERM BALANCE, BEGINNING OF YEAR</b>	<b>\$ 15,386,262</b>	\$ 1,293,292
Funding received	<b>7,277,148</b>	26,124,197
Contributions recognized in the year	<b>(16,906,215)</b>	(12,031,227)
<b>CURRENT AND LONG-TERM BALANCE, END OF YEAR</b>	<b>5,757,195</b>	15,386,262
Current portion - estimated surplus submitted to CRTC	<b>1,954,058</b>	12,610,257
<b>Long-term portion, end of year</b>	<b>\$ 3,803,137</b>	\$ 2,776,005

The actual surplus for fiscal 2018 was \$3,078,330, which was \$1,124,272 above the estimate.

# NOTES TO FINANCIAL STATEMENTS

## DECEMBER 31, 2018

### 8. Deferred Capital Contributions

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

	2018	2017
		As restated (Note 2)
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$ 448,590</b>	\$ 562,710
Funding received	<b>398,192</b>	84,620
Amortization of deferred capital contributions	<b>(222,851)</b>	(198,740)
<b>Balance, end of year</b>	<b>\$ 623,931</b>	\$ 448,590

### 9. Commitments

#### Operating Lease

The minimum annual lease payments under the operating lease agreement for the Organization's premise are as follows:

2019	\$ 64,800
2020	66,700
2021	16,800
Total	\$ 148,300

#### 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 \$21.8 million and \$63 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

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**DECEMBER 31, 2018**

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## **9. Commitments (continued)**

### **Software Development**

The Organization is committed under a service agreement with a professional services firm for software development. The contracted firm will develop software for the Organization and is expected to have the project completed in 2019. The estimated development costs associated with the project are \$260,000 USD and \$120,000 CDN.

## **10. Related Party Transactions**

In 2018, the Organization remitted \$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.

## **11. Financial Instruments**

### **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 the prior year.

## **12. 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 2018, as per Telecom Decision CRTC 2016 472, the approved funding level was \$7,463,868 (2017 - \$26,086,098) or \$621,989 (2017 - \$2,173,842) per month, starting in January of 2018. Funding was approved for the 2019 calendar year as per Telecom Decision CRTC 2018 440 in the amount of \$22,527,815 or \$1,887,318 per month. This amount represents projected expenditures of \$24,481,873, less the 2018 projected surplus to the annual budget submitted to the CRTC of \$1,954,058. It is expected that the 2019 funding plus the deferred contributions balance at December 31, 2018 will be used to cover budgeted expenditures for 2019.

## **13. Comparative Figures**

Certain comparative figures have been reclassified to conform with the method of presentation adopted for the current year.