Financial Statements of

# DEAFBLIND ONTARIO SERVICES

And Independent Auditor's Report thereon

Year ended March 31, 2026

KPMG LLP
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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of DeafBlind Ontario Services

## *Opinion*

We have audited the financial statements of DeafBlind Ontario Services (the Entity), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operating fund revenue and expenses for the year then ended
- the statement of community donation fund revenue and expenses for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2026, 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 auditor's report.

We are independent of the Entity 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.

### *Other Information*

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in Annual Report 2026.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Annual Report 2026 as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.

- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 16, 2026

# DEAFBLIND ONTARIO SERVICES

Statement of Financial Position

March 31, 2026, with comparative information for 2025

| | 2026 | 2025 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash | $ 403,201 | $ 637,152 |
| Accounts receivable | 972,818 | 680,332 |
| Due from DeafBlind Ontario Foundation (note 12) | 164,360 | 502,953 |
| Prepaid expenses | 326,596 | 275,892 |
| | 1,866,975 | 2,096,329 |
| Community Donation Fund net assets (note 2) | 39,328 | 73,648 |
| Capital and intangible assets (note 3) | 11,422,874 | 12,512,067 |
| | $ 13,329,177 | $ 14,682,044 |
| **Liabilities and Net Assets** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 882,468 | $ 1,557,030 |
| Government remittances payable | 241,373 | 181,043 |
| Deferred revenue | 20,289 | 19,100 |
| Mortgage loans - current portion (note 5) | 31,918 | 28,194 |
| | 1,176,048 | 1,785,367 |
| Mortgage loans (note 5) | 904,681 | 937,050 |
| Forgivable loans (note 6) | 5,223,399 | 5,123,399 |
| Unamortized Community Donation Fund restricted transfers (note 7) | 319,073 | 367,276 |
| Unamortized DeafBlind Ontario Foundation restricted transfers (note 7) | 959,438 | 948,705 |
| Unamortized Province of Ontario restricted transfers (note 7) | 1,516,988 | 1,682,633 |
| Net assets: | | |
| Invested in capital and intangible assets (note 8) | 2,467,377 | 3,424,810 |
| Community Donation Fund | 39,328 | 73,648 |
| Operating Fund | 722,845 | 339,156 |
| | 3,229,550 | 3,837,614 |
| Lease commitments (note 9) | | |
| Economic dependence (note 10) | | |
| | $ 13,329,177 | $ 14,682,044 |

See accompanying notes to financial statements.

On behalf of the Board:

__________________ Director

__________________ Director

# DEAFBLIND ONTARIO SERVICES

Statement of Operating Fund Revenue and Expenses

Year ended March 31, 2026, with comparative information for 2025

| | 2026 | 2025 |
|---|---|---|
| Revenue: | | |
| Province of Ontario subsidy | $ 23,202,836 | $ 22,944,757 |
| Accommodation and care service fees | 1,191,159 | 1,137,967 |
| Passport funding | 827,725 | 839,986 |
| Other (note 12) | 490,990 | 90,356 |
| Amortization of restricted fund transfers (note 7) | 373,569 | 429,488 |
| Contribution from DeafBlind Ontario Foundation (note 12) | 119,731 | 92,313 |
| Gain on disposal of capital assets | – | 547,391 |
| | 26,206,010 | 26,082,258 |
| Expenses: | | |
| Salaries | 15,025,184 | 14,217,819 |
| Benefits | 3,336,332 | 3,088,821 |
| Professional fees | 1,943,846 | 1,809,975 |
| Amortization of capital and intangible assets | 1,644,687 | 1,664,037 |
| Programming and supplies | 965,007 | 1,016,367 |
| Administrative salaries | 942,423 | 819,557 |
| Maintenance, repairs and replacements | 554,970 | 473,070 |
| Rent (note 12) | 448,213 | 433,060 |
| Training | 329,683 | 226,846 |
| Utilities and telephone | 327,082 | 318,802 |
| Vehicle operation and maintenance | 216,593 | 176,026 |
| Travel | 216,211 | 164,579 |
| Other | 189,011 | 120,643 |
| Advertising and promotion | 159,020 | 98,201 |
| Insurance | 126,776 | 124,750 |
| Contribution to DeafBlind Ontario Foundation (note 12) | 95,253 | 525,111 |
| Bank charges | 84,095 | 90,828 |
| Board | 72,584 | 15,180 |
| Interest | 52,067 | 49,742 |
| Recruitment | 50,717 | 30,055 |
| | 26,779,754 | 25,463,469 |
| Excess (deficiency) of revenue over expenses | $ (573,744) | $ 618,789 |

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

Statement of Community Donation Fund Revenue and Expenses

Year ended March 31, 2026, with comparative information for 2025

| | 2026 | 2025 |
|---|---|---|
| Revenue: | | |
| York Region subsidy | $ 43,762 | $ 47,489 |
| Interest and other | 29,322 | 64,109 |
| | 73,084 | 111,598 |
| Expenses: | | |
| Contributions to DeafBlind Ontario Foundation (note 12) | 107,404 | 136,104 |
| Deficiency of revenue over expenses | $ (34,320) | $ (24,506) |

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

Statement of Changes in Net Assets

Year ended March 31, 2026, with comparative information for 2025

| | Invested in capital and intangible assets | Community Donation Fund | Operating Fund | 2026 Total | 2025 Total |
|---|---|---|---|---|---|
| Net assets, beginning of year | $ 3,424,810 | $ 73,648 | $ 339,156 | $ 3,837,614 | $ 3,243,331 |
| Excess (deficiency) of revenue over expenses | – | (34,320) | (573,744) | (608,064) | 594,283 |
| Change in net assets invested in capital and intangible assets (note 8) | (957,433) | – | 957,433 | – | – |
| Net assets, end of year | $ 2,467,377 | $ 39,328 | $ 722,845 | $ 3,229,550 | $ 3,837,614 |

See accompanying notes to financial statements.

# DEAFBLIND ONTARIO SERVICES

Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

| | 2026 | 2025 |
|---|---|---|
| Cash provided by (used in): | | |
| Operating activities: | | |
| Excess (deficiency) of revenue over expenses | $ (608,064) | $ 594,283 |
| Items not involving cash: | | |
| Amortization of capital and intangible assets | 1,644,687 | 1,664,037 |
| Amortization of restricted fund transfers | (373,569) | (429,488) |
| Gain on disposal of capital assets | – | (547,391) |
| Change in non-cash operating working capital: | | |
| Accounts receivable | (292,486) | (242,367) |
| Due from DeafBlind Ontario Foundation | 338,593 | (456,249) |
| Prepaid expenses | (50,704) | (22,771) |
| Accounts payable and accrued liabilities | (674,562) | (136,225) |
| Deferred revenue | 1,189 | 19,100 |
| Government remittances payable | 60,330 | (38,989) |
| | 45,414 | 403,940 |
| Financing activities: | | |
| Repayment of mortgage loans | (28,645) | (29,173) |
| Net increase in forgivable loans | 100,000 | 120,000 |
| Net transfers from Community Donation Fund | 34,320 | 24,506 |
| Increase in unamortized restricted transfers | 170,454 | 328,634 |
| | 276,129 | 443,967 |
| Investing activities: | | |
| Additions to capital and intangible assets | (555,494) | (1,888,235) |
| Proceeds on disposal of capital assets | – | 571,891 |
| | (555,494) | (1,316,344) |
| Decrease in cash | (233,951) | (468,437) |
| Cash, beginning of year | 637,152 | 1,105,589 |
| Cash, end of year | $ 403,201 | $ 637,152 |

See accompanying notes to financial statements.

DeafBlind Ontario Services (the "Organization") is a not-for-profit organization incorporated without share capital under the laws of the Province of Ontario. The Organization is a registered charity and helps individuals who are Deaf, hard of hearing, non-verbal and deafblind. The Organization offers an array of services that support people to live their best lives.

The Organization maintains a Community Donation Fund for the purpose of funding programs or purchasing capital assets for which provincial funding is not available.

**1. Significant accounting policies:**

(a) Basis of presentation:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations using the deferral method of accounting for contributions using fund accounting.

(b) Reporting controlled and related entity:

The Organization controls DeafBlind Ontario Foundation (the "Foundation") by virtue of the governance structure. The Organization has elected not to consolidate this entity and provides the required note disclosure in note 12.

(c) Revenue recognition:

Province of Ontario subsidy revenue is recognized based on the annual service contract. Service revenue is recognized when the service is rendered to the individuals supported, collection is reasonably assured and all significant obligations have been fulfilled. Unrestricted revenue from donations is recorded when collected.

Externally restricted donations are deferred until the funds have been used for the restricted purposes.

Forgivable loans have restrictive covenants which require that eligibility criteria be assessed upon expiry of the loan term, as such no forgiveness amounts are recognized annually. The full loan values will be recognized in revenue at the end of each agreement, should the conditions have continued to be met throughout the term and upon expiry.

**1. Significant accounting policies (continued):**

(d) Capital and intangible assets:

Capital and intangible assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis at annual rates calculated to write off the assets over their estimated useful lives as follows:

| | |
|---|---:|
| Buildings | 5% |
| Building improvements | 10% |
| Furnishings and equipment | 20% |
| Website | 25% |
| Vehicles | 20% |

Leasehold improvements are amortized over the lesser of the term of the lease or their useful life. Construction in progress is not amortized until the asset is available for productive use.

Capital and intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount exceeds the asset's fair value or replacement cost, as applicable, and is not recoverable from future use.

The Organization capitalizes certain website development costs that are directly attributable to the design, development, and implementation of its website and that meet the criteria for recognition as an intangible capital asset. Capitalized costs include expenditures incurred to bring the website into use for its intended purpose.

Amortization of the website asset is provided on a straight-line basis over its estimated useful life of four years, commencing when the website is available for use. The useful life and amortization method are reviewed on an ongoing basis and adjusted if circumstances indicate that a change is required.

## 1. Significant accounting policies (continued):

(e) Donated property, equipment, materials and services:

The Organization relies on the voluntary services of many individuals. As these services are not normally purchased by the Organization and their fair value cannot be reasonably determined, they are not recognized in the financial statements.

Donated property, equipment and materials are recorded at fair values at the time of receipt when fair values can be reasonable estimated, the items are used in operations and would otherwise be purchased.

(f) Restricted fund transfers:

Monies received to purchase capital assets are deferred and amortized in the statement of operating fund revenue and expenses on the same basis as the related capital assets is amortized.

(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual amounts could differ from these estimates.

## 2. Community Donation Fund net assets:

| | 2026 | 2025 |
|---|---|---|
| Cash | $ 83,211 | $ 176,093 |
| Accounts receivable | – | 3,863 |
| Accounts payable and accrued liabilities (note 12) | (43,883) | (106,308) |
| | $ 39,328 | $ 73,648 |

## 3. Capital and intangible assets:

| | Cost | Accumulated amortization | 2026 Net book value | 2025 Net book value |
|---|---|---|---|---|
| Land | $ 1,664,311 | $ – | $ 1,664,311 | $ 1,664,311 |
| Buildings | 5,946,171 | 4,081,815 | 1,864,356 | 2,137,022 |
| Building improvements | 12,314,582 | 7,254,203 | 5,060,379 | 5,773,186 |
| Furnishings and equipment | 1,899,385 | 1,639,822 | 259,563 | 297,754 |
| Vehicles | 1,263,806 | 1,067,035 | 196,771 | 328,555 |
| Leasehold improvements | 2,906,997 | 558,261 | 2,348,736 | 1,031,195 |
| Construction in progress | – | – | – | 1,280,044 |
| Website | 33,867 | 5,109 | 28,758 | – |
| | $ 26,029,119 | $ 14,606,245 | $ 11,422,874 | $ 12,512,067 |

The Ministry of Children, Community and Social Services has an interest on title for the land and buildings located at 41 Ridgeview Crescent, Waterloo, Ontario, 154 Old Chicopee Drive, Kitchener, Ontario, 61 Alexander Boulevard, Jackson's Point, Ontario, 2009 Craig Road, Innisfil, Ontario and 925 Water Street, Peterborough. The Regional Municipality of York has an interest on title for the land and buildings located at 61 Alexander Boulevard, 1 Joel Avenue and 22 St. George St., Georgina, Ontario; the City of London has an interest on title for the land and buildings located at 1166 Sandbar Avenue and 2514 Tokala Trail, London, Ontario; The Regional Municipality of Waterloo has an interest on title for the land and buildings at 123 Northumberland Drive, Ayr, Ontario; The County of Simcoe has an interest on title for the land and buildings at 7 Forestwood Lane, Barrie, Ontario, the City of Peterborough has an interest on title for the land and building at 86 Earlwood Drive, Peterborough, Ontario, and in 925 Water Street Peterborough, Ontario. Canada Mortgage and Housing Corporation ("CMHC") has an interest on title for the land and building at 1670 Devine Road, Ottawa, Ontario and 925 Water Street, Peterborough, Ontario.

## 4. Credit facility:

The Organization entered into a lending facility consisting of $660,000 (2025 - $660,000) available. The lending facility bears interest at prime rate plus 0.75% (2025 - prime rate plus 0.75%) and is secured by a general security agreement, an assignment of the fire insurance and a collateral mortgage on one of the Organization's properties.

As at March 31, 2026, no amount (2025 - nil) has been advanced against this lending facility.

As at March 31, 2026, no amount (2025 - nil) of letters of credit were outstanding.

## 5. Mortgage loans:

| Property | Maturity date | Monthly payment | Interest rate fixed | 2026 | 2025 |
|---|---|---|---|---|---|
| 7 Forestwood Lane, Barrie | November 30, 2041 | $ 2,639 | 5.38% | $ 337,057 | $ 350,507 |
| 86 Earlwood Drive, Peterborough | November 28, 2043 | 1,270 | 3.85% | 195,679 | 203,207 |
| 925 Water Street, Peterborough | January 19, 2049 | 2,510 | 5.15% | 403,863 | 411,530 |
| | | | | 936,599 | 965,244 |
| Less current portion | | | | 31,918 | 28,194 |
| | | | | $ 904,681 | $ 937,050 |

Future principal payments required on all long-term debt for the next five years and thereafter are as follows:

| | |
|---|---|
| 2027 | $ 31,918 |
| 2028 | 33,297 |
| 2029 | 35,073 |
| 2030 | 36,823 |
| 2031 | 38,661 |
| Thereafter | 760,827 |
| | $ 936,599 |

The mortgages are secured by a general security agreement representing a first charge on all Organization's present and after acquired personal property. In addition, the security requires an assignment of fire and liability insurance. Furthermore, the mortgages are secured by continuing collateral mortgages in the aggregate principal amount of $2,263,400, which represent a first charge on the underlying real properties located at 7 Forestwood Lane, 41 Ridgeview Crescent, 86 Earlwood Drive and 2009 Craig Road.

## 6. Forgivable loans:

| Funding source | Effective date | Term | 2026 | 2025 |
|---|---|---|---|---|
| City of London | February 2, 2016 | 25 years | $ 460,000 | $ 460,000 |
| City of London | August 21, 2013 | 25 years | 412,000 | 412,000 |
| County of Simcoe | December 7, 2016 | 20 years | 600,000 | 600,000 |
| The Regional Municipality of York | October 13, 2010 | 20 years | 264,181 | 264,181 |
| The Regional Municipality of York | September 12, 2011 | 20 years | 480,000 | 480,000 |
| The Regional Municipality of York | November 29, 2013 | 20 years | 640,428 | 640,428 |
| The Regional Municipality of Waterloo | July 22, 2014 | 25 years | 552,820 | 552,820 |
| City of Peterborough | June 25, 2018 | 20 years | 250,000 | 250,000 |
| City of Peterborough | September 13, 2023 | 15 years | 101,070 | 101,070 |
| City of Peterborough | January 23, 2025 | 15 years | 100,000 | – |
| City of Ottawa | December 31, 2018 | 35 years | 847,900 | 847,900 |
| CMHC National Housing Co-Investment Fund | March 6, 2020 | 20 years | 395,000 | 395,000 |
| CMHC National Housing Co-Investment Fund | April 5, 2024 | 20 years | 120,000 | 120,000 |
| | | | $ 5,223,399 | $ 5,123,399 |

Funds have been advanced as forgivable loans to assist in the completion of new residences located in the municipalities that advanced the funds. The municipalities have placed mortgages on the properties in question in the amount of the loan balances.

The loan agreements require that management be in compliance with various operational terms and that the residences continue to operate as stated in the Affordable Housing/Investment in Affordable Housing Contribution Agreements with The Regional Municipality of York, City of London, The Regional Municipality of Waterloo, the County of Simcoe, The City of Peterborough, the City of Ottawa and the CMHC for the entire term of the agreement.

Forgivable loans are non-interest bearing with no specific terms of repayment.

During the year, the Organization received $100,000 in funds (2025 - $120,000).

## 7. Unamortized restricted transfers:

The unamortized restricted transfers relate to subsidies and donations received that restrict the use of the funds to the purchase of capital and intangible assets. These restricted contributions are deferred and amortized into revenues on the same basis as the amortization of the purchased capital asset. The balances at year end consist of the following:

Unamortized Community Donation Fund restricted transfers:

| | 2026 | 2025 |
|---|---|---|
| Balance, beginning of year | $ 367,276 | $ 421,783 |
| Amortization | (48,203) | (54,507) |
| Balance, end of year | $ 319,073 | $ 367,276 |

Unamortized Province of Ontario restricted transfers:

| | 2026 | 2025 |
|---|---|---|
| Balance, beginning of year | $ 1,682,633 | $ 1,947,763 |
| Additional restricted amounts received | 57,100 | 13,500 |
| Amortization | (222,745) | (278,630) |
| Balance, end of year | $ 1,516,988 | $ 1,682,633 |

Unamortized DeafBlind Ontario Foundation restricted transfers:

| | 2026 | 2025 |
|---|---|---|
| Balance, beginning of year | $ 948,705 | $ 729,922 |
| Additional restricted amounts received | 113,354 | 315,134 |
| Amortization | (102,621) | (96,351) |
| Balance, end of year | $ 959,438 | $ 948,705 |

## 8. Invested in capital and intangible assets:

Invested in capital and intangible assets consist of the following:

| | 2026 | 2025 |
|---|---|---|
| Net book value | $ 11,422,874 | $ 12,512,067 |
| Mortgage loans used for purchases | (936,599) | (965,244) |
| Forgivable loans used for purchases | (5,223,399) | (5,123,399) |
| Unamortized Community Donation Fund restricted transfers | (319,073) | (367,276) |
| Unamortized Province of Ontario restricted transfers | (1,516,988) | (1,682,633) |
| Unamortized DeafBlind Ontario Foundation restricted transfers | (959,438) | (948,705) |
| Invested in capital and intangible assets | $ 2,467,377 | $ 3,424,810 |

The change in net assets invested in capital assets is calculated as follows:

| | 2026 | 2025 |
|---|---|---|
| Purchases | $ 555,494 | $ 1,888,235 |
| Amortization of capital and intangible assets | (1,644,687) | (1,664,037) |
| Disposals | – | (24,500) |
| Amortization of restricted fund transfers | 373,569 | 429,488 |
| Restricted fund transfers | (170,454) | (328,634) |
| Loan activity for loans used to purchase capital assets | (71,355) | (90,827) |
| Change in net assets invested in capital assets | $ (957,433) | $ 209,725 |

## 9. Lease commitments:

Future minimum annual commitments are as follows:

| | |
|---|---|
| 2027 | $ 408,000 |
| 2028 | 357,000 |
| 2029 | 290,000 |
| 2030 | 150,000 |
| 2031 | 117,000 |
| Thereafter | 392,000 |

**10. Economic dependence:**

The Organization receives 96% (2025 - 96%) of its revenue from the Province of Ontario. The Organization's continuing operations are dependent on the continuance of these grants.

**11. Risk management:**

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares a budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change in the risk exposure since 2025.

**12. Related party transactions and balances:**

The Organization has entered into various lease agreements with the Foundation to rent properties from and provide certain administrative support services to the Foundation in exchange for a service fee at an exchange amount agreed by both parties. Included in rent expense is $222,050 (2025 - $184,388) paid to the Foundation during the year. Included in other revenue is nil (2025 - $18,900) for service fees received from the Foundation during the year.

During the year, the Foundation contributed $119,731 (2025 - $92,313) to the Organization towards expenses and $113,354 (2025 - $315,134) towards capital purchases.

During the year, the Organization paid for and charged back certain expenses and administrative services on behalf of the Foundation. As at March 31, 2026, $164,360 (2025 - $502,953) is due from the Foundation related to such charges and certain capital contributions.

During the year, the Organization contributed $202,657 (2025 - $706,734) to the Foundation, of which $107,404 (2025 - $136,104) is recorded as an expense to the Community Donation Fund, $95,253 (2025 - $525,111) is recorded as an expense to the Operating Fund and nil (2025 - $45,519) is recorded as a reduction to other income in the Operating Fund.

## 12. Related party transactions and balances (continued):

In addition, an amount of $43,762 (2025 - $106,017) is payable from Deafblind Ontario Services - Community Donation Fund (note 2) to the Foundation.

Amounts due to/from the Foundation are unsecured, non interest bearing with no fixed terms of repayment. Transactions are measured at the exchange amount of consideration established and agreed to by the related parties.

A summary of the financial information for the Foundation for the year ended March 31 is as follows:

| | 2026 | 2025 |
|---|---|---|
| Statement of financial position: | | |
| Total assets | $ 6,363,030 | $ 5,955,081 |
| Total liabilities | 3,964,566 | 3,812,033 |
| Net assets | $ 2,398,464 | $ 2,143,048 |
| Statement of revenue and expenses: | | |
| Revenue | $ 1,076,892 | $ 1,561,725 |
| Expenses | 821,476 | 1,016,285 |
| Excess of revenue over expenses | $ 255,416 | $ 545,440 |
| Statement of cash flows: | | |
| Cash flows from operating activities | $ 83,744 | $ 1,059,184 |
| Cash flows from financing activities | 496,544 | 381,340 |
| Cash flows used in investing activities | (699,794) | (1,124,859) |

## 13. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.