



Newfoundland
and Labrador

Easter Seals

NEWFOUNDLAND AND LABRADOR

Annual General Meeting 2020

CONTACT INFO

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About Us

EASTER SEALS NEWFOUNDLAND AND LABRADOR



HISTORY

We are a charitable organization that has operated in this province since 1937. Since then we have tirelessly dedicated ourselves to engaging, inspiring and maximizing opportunities people with disabilities through life-changing programs and services. Approximately 100,000 people of all ages in our province live with disabilities such as physical, sensory, cognitive or other disabilities which present barriers to full participation in society.

EASTER SEALS HOUSE

Easter Seals House is more than the sum of its parts. It is not just where we host our programs and services. Easter Seals House is our home. It is the smiles, the laughs, and the unbridled joy that floats through our halls. Easter Seals House is one of the few places where persons with disabilities can relax and just hang out with their friends.

" Our vision is for a community where all people with disabilities live full, healthy and active lives. Our mission is to engage, inspire, and maximize opportunities for people with disabilities of all ages by providing meaningful programs and services. "

Park Phase II - Ground Breaking

**EASTER SEALS
NEWFOUNDLAND AND LABRADOR**



PAVILION, BBQ AND EVENT PLAZA

Easter Seals NL broke ground on May 11th, 2020 for Phase II of the most accessible and inclusive park in Atlantic Canada! The addition of phase II exterior work of our park will enhance accessibility for our current programs as well as allow us to grow and offer new programs and services. Phase II will include construction of a pavilion with a fire pit, BBQ event plaza with a seating area, and sensory gardens all in accordance with the Canadian Standard Association's Accessible Design for the Built Environment.

There are countless public green spaces and walking trails throughout St. John's where many residents can enjoy the outdoors at no cost on their own time. Easter Seals NL simply wishes to extend this concept to be able to reach the disabled community, by creating a park that is truly for everyone.



“Everybody, no matter their ability, can come together on the playground to chat and play. This playground represents inclusion.”

Hayley Redmond ESNL Participant

Letter From The Chair



Denise Durfy Sheppard

Chair, Board of Directors



Like the rest of the world and other volunteer organizations, 2020 has changed how Easter Seals Newfoundland and Labrador operates. This required our dedicated staff to shift programming from an in-person approach to the virtual world.

Since 1937, Easter Seals Newfoundland and Labrador has played a critical role in providing over 20 programs and services to people with disabilities in this province. These range from team sports such as wheelchair basketball, boccia and sledge hockey; and many individual activities including music and art therapy, swimming and the Let's Get Active program which helps to develop fundamental skills in our younger participants. As well, our Career and Educational Services helps participants build workplace confidence so that they can reach their maximum potential.

In March, we continued our cherished tradition of launching Easter Seals month at Government House by awarding our outgoing Ambassador, Cassandra McGrath, the Frasier Edison Easter Seals Ambassador Trust Scholarship and welcoming our new Ambassador, Claire McCarthy. Shortly after this event the pandemic lock-down began, and our programming was paused while we assessed how to move forward. Staff worked to redesign the offering of programs and prepare for the reopening of Easter Seals House in accordance with Public Health requirements.

In May, we launched our fifth annual Luxury Cabin Lottery with the cabin located on Dildo Pond. Virtual viewing of the cabin provided the public with a full appreciation of the custom designed grand prize. Ground breaking for Phase II of our Accessible and Inclusive Park Project also took place in May, and we continued our fundraising efforts for the Park through limited activities such as Virtual Trivia Nights, the Weatherford Canada Ltd. Disability Golf Classic, and Run, Walk, Stroll and Roll.

Unfortunately, in 2020 we were not able to offer our cherished camps because of the Pandemic. However, participants were offered the opportunity to register for virtual day camps being hosted by Easter Seals ON.

By the Fall, through the hard work of our staff adhering to the everchanging Covid rules and guidelines to keep our participants and staff safe, we were able to offer select in-person programming to the delight of our participants.

Our seventh annual Celebrate the Season, with Shanneyganock took a virtual approach this year and participants and attendees were happy to be able to enjoy this special event.

While this past year has provided many challenges, it has also offered us opportunities to rethink how we do business and how individually through kindness and patience we can make a difference. On behalf of the Board of Directors, I want to sincerely thank our participants and families, volunteers, sponsors and staff for their dedication that help make Easter Seals House, the home we are so immensely proud of and we look forward to your continued support in 2021.

CEO Report



Mark Bradbury, CPA, FCMA

Chief Executive Officer



Dear Friends of Easter Seals Newfoundland and Labrador, Despite the global pandemic shutting down our in-person programs and services, the Easter Seals NL team demonstrated strength through innovation and their ability to adapt to all of the challenges brought on during 2020. While adhering to the public health guidelines, we continued to engage participants and their families and connect with community partners throughout Newfoundland and Labrador.

Our Programs Team offered life-changing and quality programs to over 300 participants of all disabilities and ages, with an incredible 700+ program registrations despite the delays due to COVID-19. Thank you to Megan, Dayna, Phil, and Tanner for the unbelievable time, effort, and love that you give to the participants.

Our Career Services Team was, once again, entrusted by Service Canada to coordinate the Opportunities Fund and Horizons program within our province. With both virtual and in-person support through the program, they successfully secured employment for 41 people with disabilities. Thank you to Paula, Rachel, Matt, Amy and Petra for your dedication to the participants and their futures. Our “I Can Too!” program successfully transitioned to a virtual platform and 17 disability awareness presentations were delivered to 555 students in schools and community groups throughout Newfoundland. An amazing achievement by Rachel and volunteer, Claire McCarthy.

Our Fund Development and Communications Team, consisting of Samantha, Jayme, and Alex, were able to pivot and quickly adapt to change during the pandemic. Our fund development events and campaigns were shifted to a virtual platform, where possible, and many events were held. The team continued to keep internal and external communications up-to-date and successfully secured funding despite the economic climate.

We are excited to report that our 2020 Easter Seals NL Luxury Cabin Lottery had an incredible response and sold out before the early bird deadline! We can only hope for similar support from the people of Newfoundland and Labrador for 2021 and for many years to come.

Our Building and Office Administration Support Team continues to handle so much in the background such as building maintenance, ensuring all inspections and filings are up-to-date, accounting & payroll, and that any remaining building space is rented. Thank you very much to Katie and Melandy for your dedication and hard work.

In 2016, we launched our See Ability in Disability Capital Park Campaign, and since then, we have been quietly raising money without seeing the justification to spend on a big campaign. In 2020 we broke ground on Phase II of the park, which includes a pavilion, event plaza, sensory gardens, and grass play area for everyone to enjoy, with a grand opening scheduled for the summer of 2021. This space will allow us to bring our programs and events to the outdoors with much more capacity and ease.

CEO Report

As the Treasurer's report indicates we are in good financial standing. We thank all those that support us with donations, grants, sponsorships, attending our events, and purchasing tickets for our Luxury Cabin Lottery. It has taken a valiant team effort over the past 6 years to get us where we are today. As the Annual Report shows we have been improving operationally as well as striving toward our strategic Mission "to engage, inspire, and maximize opportunities for people with disabilities of all ages by providing meaningful programs and services".

As we move forward into 2021 and beyond, our continued focus will be to make our delivery of programs and operations increasingly more effective and efficient. This can only be accomplished as we continue to:

- improve communications, both internally and externally;
- create new partnerships and enhance existing ones, such as the relationships we have built with A+ Auto Centre, Admirals Galley and Keg, Boccia Canada, Browning Harvey Ltd, Burry Heights Camp & Retreat, Century 21, Easter Seals Canada, Easter Seals Ontario, Ferryland Foodland, Fraser Edison, Friends We Care, Healey's Services Ltd., Hotspot Roofing, Iris Petten, Janeway Children's Health and Rehabilitation Centre, Ninepenny Brewing, NL Shooting Association, Norms Sawmill and Lumberyard, Paradise Double Ice Complex, Sandbox Gaming, Sushi Island, Weatherford Canada Ltd., YMCA, and You Got it Maid, to name a few;
- upgrade our policies and procedures to include COVID-19 prevention measures, implementing 'Return to Play' procedures for programs, our by-laws, the Board Governance manual, and the staff handbook;
- build a skillful and dedicated operations management team and staff through regular communications, guidance, performance feedback, and offering resources and time for professional development in their areas of responsibility.

We have already started building on several of the initiatives laid out in our 2020 Strategic Plan, such as, raising awareness of what Easter Seals does via consistent branding and communications plans; completing Phase II of the Park, raising funds for it and for the final Phase III; providing a Life Skills Training program for adults and young adults; continuing to expand our Provincial outreach beyond the overpass; and increasing transportation access to Easter Seals House.

I'd like to take this opportunity to especially thank our incredible volunteers who have dedicated their time to support our organization. In 2020, Easter Seals NL brought on 25 new volunteers and had the support of over 162 active ones. I am so grateful for their commitment to our fundraising events, building upkeep, and program delivery, and we would not have been able to run our programs and services without them. On behalf of our Board of Directors, staff, participants, families, and the entire disability community - thank you!

I would also like to give a special thank you to our 2020 Ambassador Claire McCarthy who, despite the COVID-19 public health restrictions, committed her time and amazing public speaking skills to create videos at home to promote our organization, and attended virtual and in-person events where safely possible.

Thank you to all that have been a part of the success of Easter Seals' during a challenging year. I am excited to see where this year's growth will lead us in 2021.

Thank you and best regards,

Mark Bradbury, CPA, FCMA
Chief Executive Officer

Treasurer's Report



Cortney Green

Treasurer



We are pleased to report that the Easter Seals organization (“Easter Seals”) is in a sound financial position. Cash is in a very stable position year over year and has increased due to the success of fundraising activities such as the Luxury Cabin Lottery. As per the Capital Campaign Plan, Easter Seals has invested \$1,000,000 in guaranteed investment certificates as it continues to invest in the financial security of its future with the interest intended for Building and Park operations and maintenance. Easter Seals is continuing to invest in capital projects to enable the organization to provide programs and ensure continued success for its participants in the future. Accounts receivable is favourably lower than the previous fiscal year as efforts are placed on collection of amounts owing. Further, trade payables and long-term liabilities are up-to-date and all assets and amortization have been properly recorded.

Overall revenues have increased since the prior year mainly due to the success of the 2020 Luxury Cabin Lottery. Expenditures decreased over the prior year as many programs and services were not operating throughout the duration of 2020 as a result of the COVID-19 pandemic. As a result, Easter Seals recognized net income of \$1,049,206.

While these are unprecedented times, we are diligently planning and investing for the upcoming years, to ensure a financially prosperous and sound organization to house the programs and services we offer to persons with disabilities in Newfoundland and Labrador.



Ambassador's Letter



Claire McCarthy

2020 Easter Seals Ambassador

“

As the 2020 Easter Seals Ambassador, it was an incredible opportunity to participate in and promote a wide range of programs and events supported by Easter Seals. I was especially happy to be a part of the launch of the Cabin Lottery, Celebrate the Season, and the new Park and Amphitheatre, just to name a few. It was amazing to work with and be able to thank the many wonderful people and organizations who continue to support Easter Seals and their many programs and services. I'd especially like to express my thanks and appreciation to the fantastic staff and volunteers who help to coordinate and provide so many opportunities for people with disabilities. You're all amazing!



Our Team

EASTER SEALS NEWFOUNDLAND AND LABRADOR

BOARD OF DIRECTORS

• Denise Durphy-Sheppard	Chair
• Michael Duffy	Vice Chair
• Lorrie Taylor	Treasurer
• Roger Power	Past Chair
• Mike Murphy	General Member
• Kelly Santos	General Member
• Katherine Costello	General Member
• Stephanie Mandville	General Member

STAFF

• Mark Bradbury	Chief Executive Officer
• Katie Janes	Office Manager
• Melandy Bearns	Administrative Assistant
• Samantha Parrell	Manager of Fund Development and Communications
• Jayme Buckingham	Fund Development & Communications Coordinator
• Alex Hennessey	Grant Writer & Planned Giving Assistant
• Peter Skirving	Research Assistant
• Megan Fitzgerald	Programs Officer
• Dayna Penney	Programs Coordinator
• Tanner Harnum	Programs Coordinator
• Phil Rendell	Programs Coordinator
• Paula Hayes	Director of Employment & Educational Services
• Rachel Warren	Programs Assistant-Opportunities Fund
• Amy Palmer	Horizons Program Coordinator
• Matt Pike	Horizons Program Coordinator/Horizons Program Assistant
• Petra Chaffey-Johnson	Program Assistant



Programs

EASTER SEALS NEWFOUNDLAND AND LABRADOR

Easter Seals NL Recreation Program Department delivered a wide range of programs and services in 2020 despite the challenges we faced due to the COVID-19 pandemic. Our goal in 2020 was to continue to connect and engage our participants across the province.

The Recreation Team was able to implement and deliver a number of programs and services both in-person and virtually. With the support of our volunteers, community partners, and of course our families and participants, we were able to stay connected through a challenging year and adapt several of our programs, including:

→ Weekly Programs

- Sledge hockey
- Wheelchair Basketball
- Creative Expressions Music
- Let's Get Active
- Boccia
- Target Shooting
- Dansability
- Swimming (January -March)

→ Family Events

- Halloween Truck or Treat
- Holiday Special Delivery



Programs

EASTER SEALS NEWFOUNDLAND AND LABRADOR



Easter Seals Camps

- Partnered with Easter Seals Ontario for a Virtual Camp experience for our Campers.
- Summer 2020 day and overnight camps were unable to be delivered in person due to the COVID-19 Pandemic.



Social Events

- Equipment Loans- Purchased new Hippocampe
- Linda's Equipment Crossing
- Volunteer Program



Other Program Services

**EASTER SEALS
NEWFOUNDLAND AND LABRADOR**



Highlights

- To help families stay busy during the lockdown, the Recreation department shared at-home activities and craft ideas.
- Intakes and Volunteer Orientations were successfully transitioned to online delivery.
- Through a boccia outreach workshop, we connected with 6 new communities across the province that now have the equipment to begin their own boccia program.
- Programs were able to safely resume in the Fall with new structures in place that followed public health directives.
- Megan Fitzgerald and Dayna Penney, along with 2 volunteer coaches, completed the National Coaching Certificate Program (NCCP) for target shooting and began delivering the program independently.
- The Recreation and Career and Educational Services departments worked together to design a new Adult Day Program, which is scheduled to launch in early 2021.
- Megan Fitzgerald became Recreation Programs and Building Administration Manager.
- The Programs Department welcomed Tanner Harnum as the new Program coordinator.

Fund Development

EASTER SEALS NEWFOUNDLAND AND LABRADOR

2020 was a year of pivoting to virtual campaigns and events in the Fund Development and Communications Department due to the global pandemic.

Our Social Media presence grew stronger thanks to JAC Agency, and our awareness of who we are and what we do as an organization became the focus of our Media Campaigns.

Although many funding opportunities were put on hold due to the pandemic, some grant submissions were successful and brought in much needed COVID 19 relief funding for our organization, to run programs both virtually and safely in-person.

Our Easter Seals NL Direct Mail Campaign for 2020 launched in March, this campaign focused on the development of Phase II of our Park which includes a pavilion with a fire pit, BBQ event plaza with seating area, and sensory gardens all in accordance with the Canadian Standard Association's Accessible Design for the Build Environment.

In the spring, our Paper Egg Campaign went ahead at those retail stores, restaurants and other businesses that were considered essential in our province. By purchasing Paper Eggs, stores were able to display their customers' support for over 20 programs and services for people with disabilities in our province.

Dodge Dive Donate Easter Seals Charity Dodgeball League was put on hold in the Spring.

In May, Easter Seals Luxury Cabin Lottery launched for its fifth year. We had a record breaking year, where tickets sold out on the deadline of our Early Bird.

In August, Weatherford Canada Ltd Disability Golf Classic was held at The Wilds, where golfers safely played the tournament according to public health guidelines.

Easter Seals Run Walk Stroll and Roll was held over the summer, where families participated and fundraised together by setting KM goals and reaching them as a team.

In December, Shanneyganock performed during our Virtual gala luncheon "Celebrate the Season" along with our Creative Expressions Music program participants. Attendees were able to enjoy the concert from their office or home.

We would like to thank the many organizations, corporations, community partners, and hundreds of individuals who generously provided funding support in 2020.

Thanks to your generosity, Easter Seals NL was able to raise funds that enable us to deliver life-changing programs and services to people with disabilities throughout the pandemic.

2020 FUNDRAISING INITIATIVES

- ESNL Direct Mail Campaign
- ESNL Paper Egg Campaign
- Century 21 Send Kids to Camp Campaign
- 2020 ESNL Luxury Cabin Lottery
- ESNL Disability Golf Classic at The Wilds Sponsored by Weatherford Canada Ltd.
- Virtual Run, Walk, Stroll and Roll in support of Easter Seals NL Sponsored by Browning Harvey Ltd.
- Virtual Celebrate the Season with Shanneyganock Sponsored by Iris Petten| Petten Holdings
- Dodge Dive Donate ESNL Inclusive Charity League
- Friends of We Care Virtual National Games Month
- Virtual and in-person Trivia Nights Sponsored by Ninepenny Brewing
- Taste of India Take Out Lunches

Career and Educational Services

EASTER SEALS NEWFOUNDLAND AND LABRADOR



Horizons Employability Skills through Work Experience



Marcel Savchenko at his placement in the Stella's Circle Community Gardens

20 years strong and Horizons continues to help young Canadians overcome barriers to employment thanks to funding support from Employment and Social Development Canada (ESDC). On March 31st, we completed our fifth intake of three year funding. Through this project, Horizons supported 52 participants with skills training courses, entry into the workforce along with enrollment in post secondary training.

On April 6th, we received renewed funding from ESDC until 2023 to help support 40 new participants who face barriers to employment. Through a partnership with Easter Seals Canada RBC provided renewed funding under

the 21st Century Skills and Leadership Program. This funding ensures that Horizons will be able to continue to support young Canadians of all abilities for years to come.

The first of four new intakes began in April. Although the global pandemic slowed down the job market in Newfoundland and Labrador, our participants were work-ready and gradually obtained successful employment opportunities. Skills training continued virtually from April to August, returning to in-person programming at Easter Seals House in September while adhering to strict COVID-19 prevention guidelines. Eight participants successfully completed the program in December.

We would like to recognize the long-time employers and new employer partners who hired participants for the April intake: Bursey's Cleaning, Dominion, Duffy Law, Evergreen Recycling, Habitat for Humanity ReStore, Maxsys Staffing, Pipers, Rustler's Family Restaurant, Stella's Circle, and Sushi Island. We'd also like to thank all the employers who hired participants in the previous intake, ending in March: Ches Penney Family YMCA, Dollarama, Envy, Lawton's, Merchant Tavern, Newfoundland Canvas, Sobey's, Skipper Ben's, Tru Salon and Suites, Walmart, and Ziggy Peelgoods.

Our sincere gratitude to all community partners who provided time and energy to deliver valuable career-related sessions to our participants: Canadian Mental Health Association - NL, Memorial University, CNIB Foundation, College of the North Atlantic, Eastern Safety Services, First Light, Hospitality NL, Human Rights Commission, Rita Lester Relaxation Yoga, Planned Parenthood, St. John's Board of Trade, Technical Rope and Rescue, Terry Fox Foundation, and Training Solutions NL.

We are grateful to all of our partners who supported Horizons. Despite the challenges in 2020, we had a great year and it would not have been possible without the support of everyone involved. Congratulations to all of the 2020 Horizons participants!

Career and Educational Services

EASTER SEALS
NEWFOUNDLAND AND LABRADOR



'I Can Too!' Disability Awareness Program

2020 was a different year for the 'I Can Too!' disability awareness program. At the beginning of the year, 'I Can Too!' continued to engage students with its message of kindness and inclusion in-person with seventeen presentations. We were delighted to be invited to deliver presentations at the following locations: Association for New Canadians, Goulds Elementary, Sparks CBS, and Sparks Torbay.

With the closure of schools across the province in March due to the pandemic, it meant many scheduled presentations were cancelled. While disappointing, this provided a wonderful opportunity to think about ways to change the delivery of the program to a virtual platform which allowed Easter Seals NL to offer outreach to students in all areas of the province. Over the summer and fall, with the guidance of various educators we were able to find the best method of delivery for the program. We also worked to develop a self-guided presentation that teachers could use in their virtual classrooms so students could learn about disabilities on their own. We are so excited for what 2021 has in store for the 'I Can Too!' disability awareness program and to continue to offer presentations to students and teachers throughout the province!

Career and Educational Services

EASTER SEALS NEWFOUNDLAND AND LABRADOR



Opportunities Fund Community Coordinator



Jordan Pomeroy at Ferryland Foodland. Jordan made a successful transition into the workforce through the support of the opportunities fund.

Currently in our seventh year, with multi-year funding from Employment and Social Development Canada (ESDC), we continue to successfully operate as a provincial Community Coordinator for Opportunities Fund for people with Disabilities. On October, 1st, 2018 we received new funds which will continue until March 31st, 2022. During this period we will be able to support 85 participants in their search for employment. In 2020, with an uncertain job market due to the global pandemic, we proudly placed 19 people with disabilities in the workforce. We continued to work with participants virtually, assisting them with their career paths. Due to COVID-19, the government allowed for flexibility within our budget. We were able to help individuals with disabilities, who

were not past or current participants of the Opportunities Fund program, to purchase laptops, tablets and items to set up their at home offices. As well we were able to extend a number of employer agreements from 36 weeks to 52 weeks.

We are extremely grateful to the following businesses who hired an individual with a disability: Bill Young Distributors, Connections for Seniors, Eastern Edge Gallery, Ferryland Foodland, Fort Property (4), Foxtrap Harbour Authority, Habitat for Humanity Newfoundland and Labrador, Healy Services, Mow Go Property Services (3), Newfoundland and Labrador Housing and Homelessness Network, Norm's Lumberyard and Sawmill, St. Michael's Artists, The Craft Council of Newfoundland and Labrador, and You Got it Maid.

We would also like to recognize our community partners who assist us in supporting people with disabilities to enter the workforce. These include: Canadian Council on Rehabilitation and Work, Community Sector Council, Corrections Canada, Empower, The Disability Resource Centre, John Howard Society, Mariner Resources Opportunities Network, Smallwood Crescent Community Centre (Marystown), Spinal Cord Injury (St. Anthony), The Community Centre Alliance, The Murphy Centre, and Waypoints.

Thanks to everyone who supported us this year, although we were presented with some challenges we all made the best of it. Congratulations to all the Opportunities Fund participants on your success!

Financial Reports

**EASTER SEALS
NEWFOUNDLAND AND LABRADOR**

EASTER SEALS NEWFOUNDLAND AND LABRADOR INC.
Financial Statements
Year Ended December 31st, 2019



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INDEPENDENT AUDITOR'S REPORT

To the Directors of Easter Seals, Newfoundland and Labrador Inc.

Qualified Opinion

I have audited the financial statements of Easter Seals, Newfoundland and Labrador Inc. (the Organization), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2020, current assets and net assets as at December 31, 2020. My audit opinion on the financial statements for the year ended December 31, 2019 was modified accordingly because of the possible effects of this limitation of scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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 to the Directors of Easter Seals, Newfoundland and Labrador Inc.
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Clarenville, Newfoundland and Labrador
June 23, 2021

Chartered Professional Accountant
Richard K Power, FCPA, Professional Corporation

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Statement of Financial Position****December 31, 2020**

	2020	2019
ASSETS		
CURRENT		
Cash (Note 5)	\$ 885,985	\$ 534,327
Restricted cash	-	263,098
Short term investments (Note 6)	1,015,566	608,261
Accounts receivable (Note 7)	21,803	52,880
Prepaid expenses	36,494	28,679
	1,959,848	1,487,245
CAPITAL ASSETS (Note 8)	2,685,393	2,278,253
LONG TERM INVESTMENTS - Restricted (Note 9)	69,865	68,359
	\$ 4,715,106	\$ 3,833,857
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 11)	\$ 233,792	\$ 227,710
Wages payable	34,766	32,083
Employee deductions payable	1,619	1,651
Deferred revenue - Current (Note 12)	349,518	295,007
	619,695	556,451
DEFERRED REVENUE - Long term (Note 12)	596,270	1,125,555
DEFERRED CONTRIBUTION - EASTER SEALS (Note 14)	1,572,663	1,638,190
CEBA LOAN (Note 13)	60,000	-
	2,848,628	3,320,196
NET ASSETS		
Unrestricted net assets	(888,780)	(2,838,209)
Internally restricted funds (Note 9)	69,865	331,457
Investment in Capital Assets	2,685,393	3,020,413
	1,866,478	513,661
	\$ 4,715,106	\$ 3,833,857

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Statement of Operations****Year Ended December 31, 2020**

	2020	2019
REVENUES		
Fund development and corporate affairs	\$ 2,263,774	\$ 1,843,375
Program fees and career services funding	534,316	560,582
Contributions	208,649	152,036
Government funding	221,615	288,043
Rental income	8,370	29,806
Other	9,384	30,881
	3,246,108	2,904,723
DIRECT EXPENSES		
Fund development and corporate affairs expenses (<i>Note 15</i>)	1,205,246	1,379,891
CONTRIBUTION MARGIN	2,040,862	1,524,832
EXPENSES		
Amortization of property and equipment	137,802	118,520
Bad debts (recovery)	(750)	2,465
Operating expenses (<i>Note 16</i>)	383,183	405,253
Program expenses (<i>Note 17</i>)	593,979	673,977
	1,114,214	1,200,215
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	926,648	324,617
OTHER INCOME		
Interest income	7,353	9,254
Amortization of deferred capital contribution (<i>Note 14</i>)	65,528	68,258
	72,881	77,512
EXCESS OF REVENUES OVER EXPENSES	\$ 999,529	\$ 402,129

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Statement of Changes in Net Assets****Year Ended December 31, 2020**

	Unrestricted Net Assets	Restricted Assets	Investment in Capital Assets	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ (2,484,921)	\$ 331,457	\$ 3,020,413	\$ 866,949	\$ 113,532
Purchase of equipment	(544,943)	-	544,943	-	-
Transfer of funds - scholarship	2,000	(2,000)	-	-	(2,000)
Adjustment to funds	796,111	11,578	(807,689)	-	-
Transfer of funds - Deferred Capital Playground Fund	272,676	(272,676)	-	-	-
Excess of revenues over expenses	1,070,297	1,506	(72,274)	999,529	402,129
NET ASSETS - END OF YEAR	\$ (888,780)	\$ 69,865	\$ 2,685,393	\$ 1,866,478	\$ 513,661

The Net Assets were adjusted during the year so that Investments in Capital Assets equal the net book value of Capital Assets. Similarly, Restricted Assets was adjusted to equal the value of Long Term Investments which is used to fund an annual scholarship.

Deferred Capital Playground Funds that were deferred in 2018 were transferred from Restricted Assets to the Unrestricted Assets since the deferred funds have been expended.

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Statement of Cash Flow****Year Ended December 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 999,529	\$ 402,129
Items not affecting cash:		
Amortization of capital assets	137,802	118,520
Amortization of deferred capital contribution	(65,528)	(68,258)
Transfer of of deferred playground funds	355,288	-
	1,427,091	452,391
Changes in non-cash working capital:		
Accounts receivable	31,077	33,633
Accounts payable and accrued liabilities	6,084	(10,090)
Deferred revenue	54,511	62,356
Prepaid expenses	(7,815)	4,563
Wages payable	2,683	(1,227)
Employee deductions payable	(32)	676
	86,508	89,911
Cash flow from operating activities	1,513,599	542,302
INVESTING ACTIVITIES		
Purchase of capital assets	(544,943)	(74,085)
Increase in long term Investments	(1,506)	(4,122)
Cash flow used by investing activities	(546,449)	(78,207)
FINANCING ACTIVITIES		
Deferred revenue	(529,285)	(32,687)
Proceeds from long term financing	60,000	-
Repayment of long term debt	-	(195,226)
Payment of scholarship	(2,000)	(2,000)
Cash flow used by financing activities	(471,285)	(229,913)
INCREASE IN CASH FLOW	495,865	234,182
Cash - beginning of year	1,405,686	1,171,504
CASH - END OF YEAR	\$ 1,901,551	\$ 1,405,686
CASH CONSISTS OF:		
Cash	\$ 885,985	\$ 534,327
Short term investments	1,015,566	608,261
Restricted cash	-	263,098
	\$ 1,901,551	\$ 1,405,686

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended December 31, 2020

1. NATURE OF OPERATIONS

Easter Seals, Newfoundland and Labrador Inc. (the "Organization" or "Easter Seals") was incorporated on April 6, 1937 under the Newfoundland and Labrador Corporations Act as a non-profit organization without share capital. The Organization's main purpose is to provide programming for children with physical disabilities designed to maximize their abilities.

Easter Seals is a registered charity pursuant to the Income Tax Act (Canada) and is, therefore, exempt from income taxes under section 149 and may issue tax-deductible receipts to donors.

2. COVID 19 DISCLOSURE

The recent outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the organization or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the organization's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the organization's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the organization's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (GAAP).

Cash

Cash represents deposits or cash held with Canadian Chartered Banks.

Short-term investment

Short-term investments are investments in money market instruments with maturities longer than three months and less than twelve months.

Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Land improvements	8%	declining balance method
Buildings	4%	declining balance method
Computer equipment	20%	declining balance method
Furniture, fixtures and equipment	10%	declining balance method

The organization regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Notes to Financial Statements****Year Ended December 31, 2020**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates such as amortization of capital assets and deferred capital contributions are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Impairment of Long Lived Assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Revenue recognition

Revenues are recognized when they are earned, specifically when all of the following conditions are met:

- there is clear evidence that an arrangement exists;
- amounts are fixed or can be determined;
- the ability to collect is reasonably assured.

The Organization uses the deferral method of accounting for contributions. Restricted contributions related to expenses for future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

The deferred capital contributions are recognized at the same rate as the related capital assets are amortized.

Donation recognition

Donations are recorded as revenue when received.

(continues)

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.

Notes to Financial Statements

Year Ended December 31, 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed services

Volunteers contribute a significant number of hours per year to assist the Organization in carrying out its objectives. In addition, the Organization receives donated materials and services throughout the year. Since no objective basis exists for recording or assigning value to the services, they are not reflected in the accompany financial statements.

Managing capital

The capital structure of the Organization consists of net assets. Capital requirements are funded through government grants, program revenues and corporate donations. The objective when managing capital is to ensure it maintains adequate capital to support its continued operations.

The Organization is not subject to externally imposed capital requirements.

4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2020.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources, long-term debt, and accounts payable.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

5. CASH

Cash balance consists of:

	2020	2019
Operating funds	\$ 493,594	\$ 282,898
Opportunities fund	374,857	250,693
Cottage lottery	17,534	736
Internally restricted	-	263,098
	\$ 885,985	\$ 797,425

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Notes to Financial Statements****Year Ended December 31, 2020****6. SHORT-TERM INVESTMENTS**

At year end, the Organization's short-term investments consisted primarily of guaranteed investment certificates with maturity dates within one year plus accrued interest.

7. ACCOUNTS RECEIVABLE

	2020	2019
Government grants	\$ -	\$ 5,815
Harmonized sales tax	14,143	29,475
Trade receivables	9,375	20,055
	23,518	55,345
Less: Allowance for Doubtful Accounts	(1,715)	(2,465)
	\$ 21,803	\$ 52,880

8. CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land improvements	\$ 1,010,095	\$ 147,138	\$ 862,957	\$ 418,180
Buildings	2,576,674	898,081	1,678,593	1,748,535
Computer equipment	31,456	18,810	12,646	14,634
Furniture, fixtures and equipment	199,217	92,343	106,874	70,466
Signs	14,995	6,964	8,031	8,729
Parking lot	25,140	8,848	16,292	17,709
	\$ 3,857,577	\$ 1,172,184	\$ 2,685,393	\$ 2,278,253

9. LONG TERM INVESTMENTS - Restricted

Long term investments consists of a portfolio of mutual funds at market value (cost - \$65,591). The investment is restricted as it relates to restricted funds for scholarships.

10. CREDIT FACILITY

The Organization has an available operating line of credit of \$500,000 from TD Canada Trust, which bears interest at prime plus 1% per annum. As at December 31, 2020, there were no funds withdrawn on the line of credit (2019 - \$ Nil).

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Notes to Financial Statements****Year Ended December 31, 2020****11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2020	2019
<u>Payables</u>		
Accounts Payable	\$ 214,450	\$ 180,704
Accrued liabilities	19,344	47,006
	\$ 233,794	\$ 227,710

12. DEFERRED REVENUE

Deferred revenue relates to program funding and capital funding received in advance from donors for specific programs and capital projects at December 31, 2020.

	2020	2019
Current deferred revenue		
Program funding	\$ 348,978	\$ 259,007
Long-term deferred revenue		
Capital funding	596,270	770,266
Equipment funding	-	355,289
	596,270	1,125,555
	\$ 945,248	\$ 1,384,562

13. CANADA EMERGENCY BUSINESS LOAN

A Government of Canada guaranteed loan of \$60,000 with the following terms:

The loan is interest free, and 33.33% (i.e. \$20,000) of the loan is eligible for loan forgiveness if 66.67% (i.e., \$40,000) has been fully repaid on or before December 31, 2022. It also has no principal repayments during this period.

If the loan is not repaid by December 31, 2022, it can be converted into a 3-year term loan, and will be charged an interest rate of 5%, payable monthly. It will still not incur any principal payment requirements until December 31, 2025.

14. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represents the donations received for the original construction of the Easter Seals House. As amortization of the building is recorded, deferred capital contributions are recorded as an offset to amortization on the Easter Seals House.

EASTER SEALS, NEWFOUNDLAND AND LABRADOR INC.**Notes to Financial Statements****Year Ended December 31, 2020****15. FUND DEVELOPMENT AND CORPORATE AFFAIRS EXPENSES**

	2020	2019
Advertising and promotion	\$ 178,904	\$ 261,746
Event rental and prizes	872,177	938,310
Licensing and event fees	18,940	9,049
Office and supplies	11,918	38,402
Other	10,021	8,809
Salaries and benefits	112,311	122,069
Travel	975	1,506
	\$ 1,205,246	\$ 1,379,891

16. OPERATING EXPENSES

	2020	2019
Insurance	\$ 29,876	\$ 31,580
Interest and bank charges	48,691	44,259
Interest on long term debt	-	2,275
Miscellaneous	2,773	4,371
Office and supplies	9,323	12,231
Professional fees	3,424	3,621
Repairs and maintenance	38,109	58,531
Salaries and wages	228,904	221,185
Travel	-	411
Utilities	22,083	26,789
	\$ 383,183	\$ 405,253

17. PROGRAM EXPENSES

	2020	2019
Miscellaneous	\$ 77,391	\$ 52,023
Office and supplies	24,299	25,508
Professional fees	2,489	11,506
Salaries and benefits	466,528	559,775
Service rentals	8,085	19,614
Travel	15,187	5,551
	\$ 593,979	\$ 673,977

18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.



**Easter
Seals**TM

**Newfoundland
and Labrador**

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