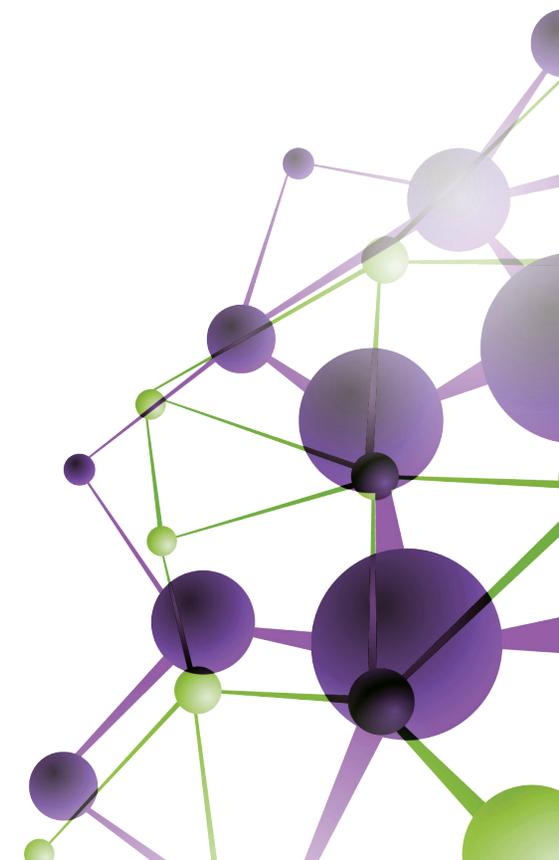


TABLE OF CONTENTS



MESSAGE FROM THE CHAIR, NINI BAIRD	3
MESSAGE FROM THE EXECUTIVE DIRECTOR, ELIZABETH FRIESEN	3
1. ABOUT THE TELUS FUND	4
2. MANDATE.....	4
3. GOVERNANCE.....	4
4. STRATEGIC PRIORITIES.....	5
4.1. <i>Increase the Discoverability of Health Content</i>	5
4.2. <i>Enhance the Quality of Submissions</i>	8
4.3. <i>Improve Decision Making</i>	9
4.3.1. <i>Applications Received and Selected</i>	12
5. FINANCE AND ADMINISTRATION	20
5.1. <i>Revenues</i>	20
5.2. <i>Expenses</i>	21
APPENDIX A: Board of Directors in 2017-18.....	22
APPENDIX B: Development Financing Contracts in 2017-18	25
APPENDIX C: Production Financing Contracts in 2017-18.....	26
APPENDIX D: Discoverability Financing Contracts in 2017-18	28
APPENDIX E: TELUS Fund Financial Statements for the Year Ending August 31, 2018.....	29





“The projects we support are broadening public understanding of health issues and helping individuals and families cope with the impact of these issues in their own lives.”



“Learnings from the experience of funded content is changing program design and operations to better support future success.”

MESSAGE FROM THE CHAIR, NINI BAIRD

The TELUS Fund continues to work closely with Canadian production companies to ensure that they have the expertise, resources and tools to be successful with health content. The projects we support are broadening public understanding of a range of health issues and are helping individuals and families cope with health challenges.

This year TELUS Fund supported films and apps continue to achieve national and international recognition through screenings at specialized film festivals and nominations for prestigious awards. We are proud that this recognition is bringing the spotlight on such diverse health content as early on-set Alzheimers, autism, infertility, mental illness, suicide and childhood leukemia. 2018 came to a close with the International Academy of Television Arts & Sciences announcing International Emmy Award nominations for two TELUS Fund financed projects: *Jenny* (Best Kids Series) and *How to Buy a Baby* (Best Short-Form Series).

MESSAGE FROM THE EXECUTIVE DIRECTOR, ELIZABETH FRIESEN

Knowledge and experience is accumulating from a special initiative launched to increase the discovery of health content. Fifteen projects entering the marketplace received expert services and resources to support their marketing decisions and data collection efforts. The Fund now has a solid dataset, laying the groundwork for calculating benchmarks against which future success of health content will be measured. Lessons learned from previously funded projects are translating into new funding streams, and updates to program design and application handling procedures to increase the reach and impact of future health content.

From the earliest stages of project development, financing is now available to attach marketing expertise. This expertise is expected to contribute to stronger production financing submissions with robust audience reach and engagement strategies and realistic success targets. At the production stage, applicants are also now encouraged to allocate minimum amounts within the project budget to sustain promotion activities for at least 12 months. Three projects that achieved success during their first year in market benefited from new discoverability financing to refresh the content and increase their reach and impact.

1. ABOUT THE TELUS FUND

The TELUS Fund is a not-for-profit corporation certified by the Canadian Radio-television and Telecommunications Commission (the Commission) as a Canadian Independent Production Fund (CIPF). The Fund is made possible by the success of TELUS TV with 1.1 million customers in B.C., Alberta and Quebec. A portion of TELUS' required contribution to Canadian programming is directed to the TELUS Fund. Since launching the Fund in 2013, TELUS has contributed over \$25 million to the TELUS Fund to finance the creation of content by Canadian production companies.

2. MANDATE

The TELUS Fund's mandate is to finance exceptional content that promotes the health and well-being of Canadians. The Fund is looking for stories with the potential to influence Canadian audiences and improve their health outcomes. The definition of health is broad, encompassing physical, mental and emotional well-being. *Funded projects* to date are as diverse as the determinants of healthy Canadians, which range from lifestyle and environment to culture and services.

This mandate is aligned with an important corporate priority at TELUS. TELUS Health has grown to become a leader in telehomecare, electronic medical and health records, consumer health, benefits management, and pharmacy management. TELUS Health solutions give health authorities, providers, physicians, patients, and consumers the power to turn information into better health outcomes by providing innovative technologies and applications that better organize information, move it securely, and connect all stakeholders.

3. GOVERNANCE

The TELUS Fund is independently governed and operates at arm's length of TELUS. A distinguished Board of six Directors delivered the mandate of the Fund in 2017-2018. The Board is composed of four independent Directors and two representatives of TELUS. The list of Directors is included in Appendix A. Brendan Byrne completed his term as a representative of TELUS in 2018. The Fund is grateful for his commitment to selecting exceptional health and wellness content.



MY 90 YEAR-OLD ROOMMATE

Joe, a 90-year-old widower, is living alone when his misguided adult grandson moves in with nothing but a backpack, a box of condoms and a sense of entitlement.

Release date: April 2018 | Episode(s): 12 x 10 mins

LOCO PRODUCTIONS INC.   [WEBSITE >](#)

4. STRATEGIC PRIORITIES

In 2016 the TELUS Fund embarked on a special initiative designed to advance understanding of the techniques and tools that best amplify the reach, engagement and impact of health and wellness programming. Qualitative and quantitative data on funded content is being obtained from three primary sources: analytics from digital platforms, broadcast ratings, and interviews.

Knowledge collected from these efforts translated into three strategic and ongoing priorities to be carried out by operations:

1. Increase the discoverability of health content
2. Enhance the quality of submissions, and
3. Improve decision making

Progress was made in all priority areas. Actions undertaken are described in Sections 4.1 to 4.3.

4.1. INCREASE THE DISCOVERABILITY OF HEALTH CONTENT

48 funded projects have entered the market since launching the Fund, including 15 this year, which are highlighted throughout this report. **The Fund measures its success by the degree to which funded projects**



FIGURE 1

reach the intended audience, engage that audience, and positively impact their health and well-being (Figure 1).

Over the past 18 months a subset of projects has benefitted from various levels of personalized support and analysis to inform their marketing decisions and test the utility of the new reporting template. These efforts have yielded rich insights:

- Potential for live events, festivals and awards to enhance a project's reach and impact under certain conditions (see Section 4.3)
- Importance of online advertising in driving discoverability of certain projects



BYE

Alexandre Taillefer seeks to understand what caused the suicide of Thomas, his 14-year-old son. He focuses on the mental health of young Quebecers and explores the impact of the virtual world on the real world. He wants to improve online detection of suicidal ideation as well as mental health prevention.

The documentary received more than 850k views and the official hashtag #BYEdoc reached more than 2M users and 1,5k tweets.

Release date: December 2017 | Episode(s): 1 x 60 mins

PRODUCTIONS DÉFERLANTES



WEBSITE >

- Challenge of gaining traction with new platforms and applications (see Section 4.3)
- Lack of access for production companies to marketing expertise and tools in-house to build audience reach and engagement

Monitoring and quantifying audience reaction to health content was also facilitated by a cloud-based media intelligence platform that surfaces and tracks online conversations based on keyword inputs. Insights were added to the data intelligence provided by producers to create a more fulsome report on the reach, engagement, and impact of their projects. Monthly reports showing individual social media mentions were distributed to producers who appreciated receiving intelligence on the discoverability of their content.

The subset of 15 monitored projects has achieved over 519 million mentions in online news and social media channels to date (Figure 2). This excellent reach is being led by the exceptional online efforts of four funded projects: *Défi Santé*, *Milk*, *Les aventures du pharmacien* and *How to Buy a Baby*.

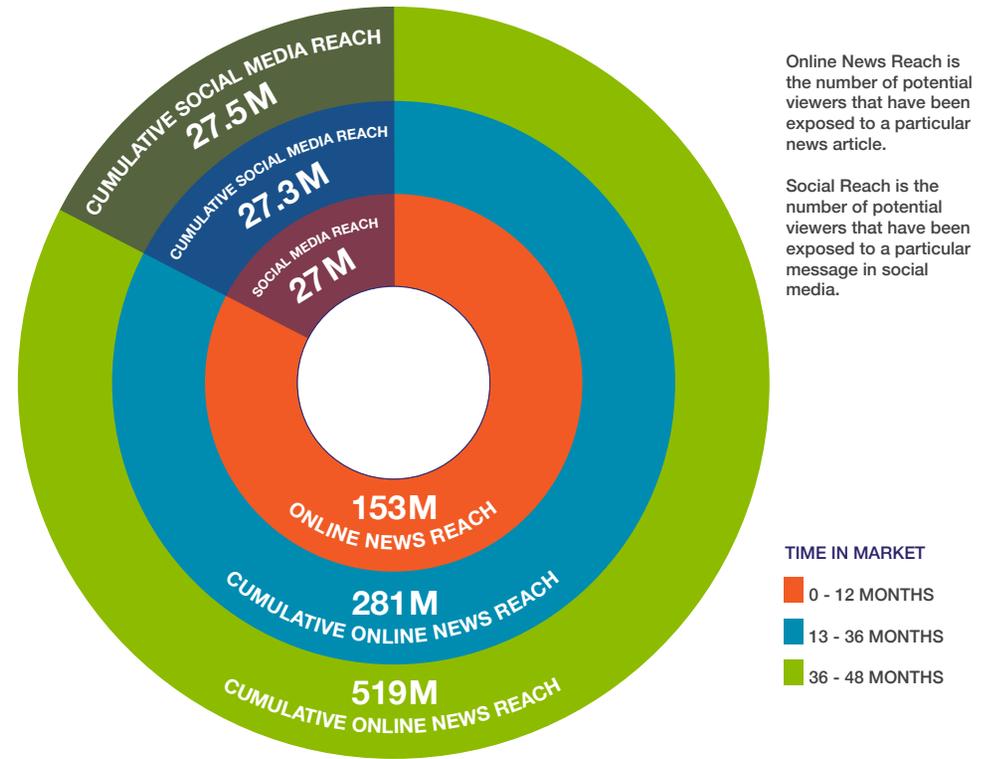


FIGURE 2



QUE MANGERA-T-ON DEMAIN?

In 2050, our planet will have more than 9 billion inhabitants. Feeding them all will be a huge challenge. This series presents solutions and experiences from around the world to ensure global food security

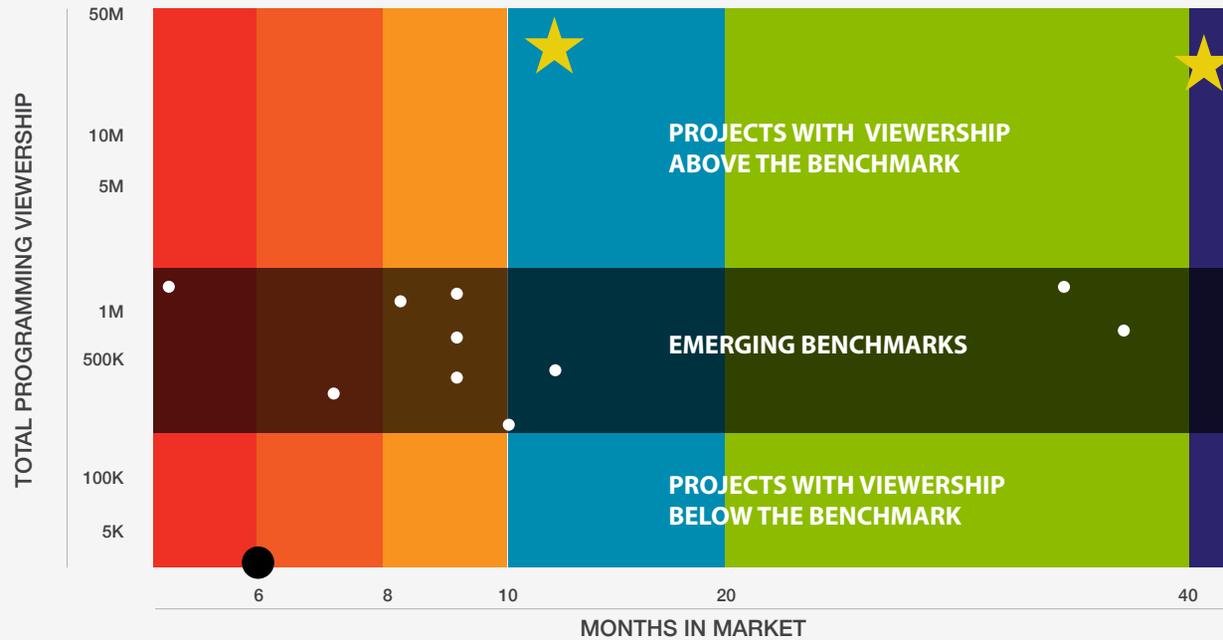
Release date: December 2017 | Episode(s): 3 x 43 mins

PRODUCTIONS NOVA MEDIA



WEBSITE >

PROGRAMMING VIEWERSHIP RELATIVE TO TIME IN MARKET



Total Programming Viewership is calculated using viewer and attendance data points from broadcaster ratings, alternative digital platforms, live events, and sales/rentals of digital copies.

FIGURE 3

Producers and distributors can be uneasy partners when it comes to activating audience development plans. Each has distinct objectives and timelines. The disconnect is further exacerbated by differing levels of expertise when it comes to contemporary social media and digital tactics. The next step for 2018-2019 is to develop a Discoverability Toolkit to transfer knowledge and apply best practices across the TELUS Fund portfolio. The substance and form of the tools will vary and may include resources embedded in interactive guidelines, revised contract requirements, case studies, and on demand coaching.

Data sets collected are also laying the groundwork for calculating benchmarks against which future project success will be measured. Figure 3 depicts

the emerging benchmark for programming viewership. As the cohort of projects contributing to the benchmark increases, the information can be used to validate forecasts and set growth objectives for the viewership of future funded projects. **Portraying viewership relative to months in market reveals the importance of allowing projects sufficient time to achieve their fullest potential.** Outliers either below or above the benchmark assist in the identification of projects for further investigation. The associated learning will again be shaped into actionable best practices and shared for the benefit of future producers of health content.

Going forward the TELUS Fund will simplify the reporting template for use by all applicants. Efforts will also be undertaken to automate data collection that simplifies the process for producers while preserving the quality and diversity of audience data.

As the discoverability initiative moves into 2018-2019, TELUS Fund will refresh the cohort of projects that will benefit from personalized support and deep analysis. Enriching the repository of health content data will inform future strategies to increase the discoverability of health content.

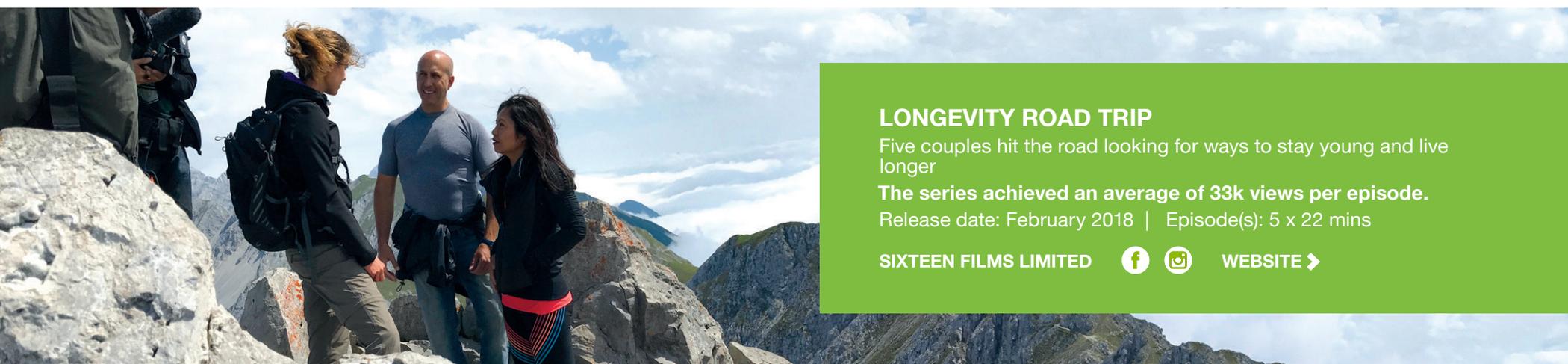
4.2. ENHANCE THE QUALITY OF SUBMISSIONS

Findings to date from the discoverability initiative indicate the success of health content is being constrained by a lack of marketing expertise and resources. In response the program guidelines and application forms have been updated to:

- Encourage applicants to allocate at least 10% of the production budget toward marketing and promotion efforts and to specify budget allocations toward key marketing and promotion expenditures

- Require applicants for production financing to retain marketing expertise at the application stage to define the target audience, strategies to reach and impact that audience, and forecast success
- Establish minimum support requirements to demonstrate demand for the content from expert organizations, third party financiers, and distribution platforms, and
- Expand the list of eligible costs within the development application to include the retention of marketing expertise, target audience research, and development of high-level marketing plans

Production companies not affiliated with a distribution platform often do not have ready access to internal marketing expertise and measurement data to improve the quality of their submissions in these areas. Work has begun on a toolkit for applicants to make a quality submission to the Fund. These tools will help them retain qualified marketing support and facilitate discussions with distribution platforms on appropriate marketing strategies and resource allocations to achieve forecast targets of success.



LONGEVITY ROAD TRIP

Five couples hit the road looking for ways to stay young and live longer

The series achieved an average of 33k views per episode.

Release date: February 2018 | Episode(s): 5 x 22 mins

SIXTEEN FILMS LIMITED



WEBSITE >



FIGURE 4

4.3. IMPROVE DECISION MAKING

The TELUS Fund receives submissions requesting financing from production companies located across Canada working in English and French. Applications for production financing and discoverability financing of more than \$75 thousand are received at three deadlines during the year. Submissions requesting up to \$75 thousand in development and discoverability financing are received between September and May.

There is no “silver bullet” for selecting content with the greatest potential to reach and positively impact the well-being of Canadians.

The Board of Directors and administration assess information provided within the application form, according to the published evaluation criteria. These criteria serve as a guide for applicants in making a successful submission and for Directors in their evaluation and ranking of submissions. Then



BEYOND THE SPECTRUM

When their two-year-old son Oskar is diagnosed with autism, this busy family of seven drops everything for a year to focus on his therapy. In their surprising journey of discovery, they confront a critical question: What does unconditional love really mean?

The documentary reached over 100k viewers in Canada and downloads exceeded 250 at launch.

Release date: October 2017 | Episode(s): 1 x 90 mins

MERIT MOTION PICTURES



WEBSITE >

submissions are weighed and ranked relative to one another. The Board then reviews shortlisted projects against the commitment budget before rendering their final funding decisions (Figure 4).

The Board of Directors is solely responsible for funding decisions and the resulting mix of health and wellness content. Independent Directors cast no fewer than two thirds of the votes in funding decisions. Directors withdraw from the decision to finance any project with which they may have an actual or perceived conflict of interest, according to established policies and procedures of the Board. At each decision meeting a Director is identified as being responsible for ensuring concerns of the Official Language Minority Community (OLMC) are reflected and their issues are taken into consideration in decision making.

As the portfolio of health content grows, patterns of success are emerging. Factors are being identified, which tend to detract from success (low alignment) and factors with the potential to drive success (high alignment). This fiscal year the Fund expanded the evaluation criteria and added examples of low and high alignment. Submissions demonstrating multiple factors that tend to drive success (high alignment) are short listed for funding.

Best practices and lessons learned from previously funded projects are also informing the Board's funding allocations. Examples include adjustments to

levels of funding allocated for the creation of platforms and applications and toward distribution plans that include live events.

PLATFORMS AND APPLICATIONS

Many Applicants request financing to create programming and an online destination to house the programming. These online destinations are considerably more sophisticated than promotional websites. The platform or application can stand alone, is often independently exploited, and may include for example, original programming, sophisticated games, interactive educational materials, location-based information, participant tracking tools and social forums.

While the concept sounds logical, experience indicates that it is generally easier to position programming on existing platforms and applications where target audiences are already gathering, rather than driving them to a new, unknown destination. Going forward, decision making related to stand-alone platforms and applications will be strongly influenced by the demonstrated demand and potential for the new platform or application to improve the health outcomes of the target audience and the level of commitment (budget, resources, time) for building awareness online.



SWEET DREAMS FOR CHIYO

Rhiana and Kaz Ehara's world turns upside-down when their daughter Chiyo is diagnosed with Type 1 diabetes.

Release date: February 2018 | Episode(s): 1 x 44 mins

PARABOLA FILMS



EPISODES >

WEBSITE >

LIVE EVENTS, FESTIVALS AND AWARDS

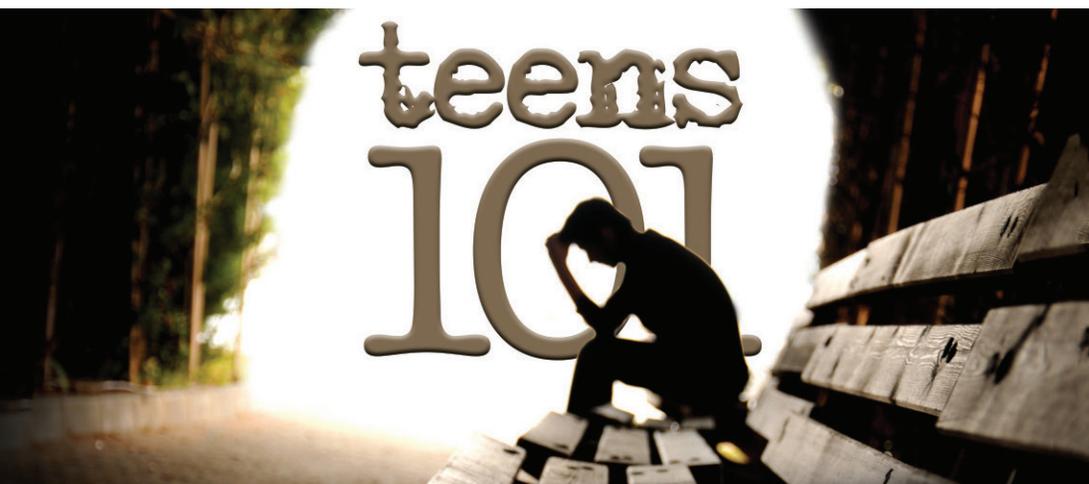
Live events are becoming a popular audience engagement strategy for producers of health content. Producers feel these events are important for connecting with and learning from the audiences. **Live events not only create an opportunity to extend the reach of a project, but the co-viewing experience facilitates a particular type of engagement. Audiences can share reactions, and often ask questions of those involved.** In these settings, expert speakers can provide rich context and two-way engagement that can be important and well suited to the nature of health and wellness content, extending the experience beyond the construct of traditional linear transmission.

A few producers have also experimented with living room screenings. They are creating DIY screening kits for users interested in hosting a screening and facilitating a discussion around the subject of the project. Hosting guides help the host to formulate a robust plan and envision measurable outcomes.

Festivals and awards offer a great opportunity for exposing projects to a larger audience. However, it is difficult to collect meaningful information at these screenings beyond audience attendance. While they can drive exposure and present some of the same engagement opportunities as other live events, festival and award screenings should be seen as only one component of a more robust distribution plan and audience development strategy.



Section 4.3.1 provides more information on the applications received and selected by the Directors for development, production and discoverability financing.



TEENS 101

A new way of reaching, informing and helping youth through the stresses and obstacles they may be facing in the transition from adolescence to adulthood.

Release date: December 2017 | Episode(s): 13 x 30 mins

TEENS101 INC. [f](#) [t](#) [i](#) EPISODES > WEBSITE >

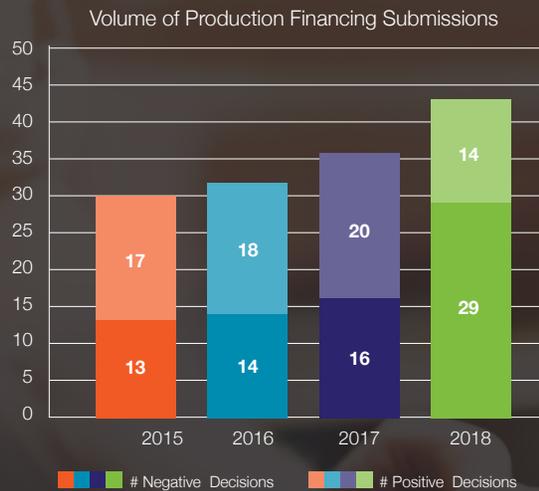


FIGURE 5

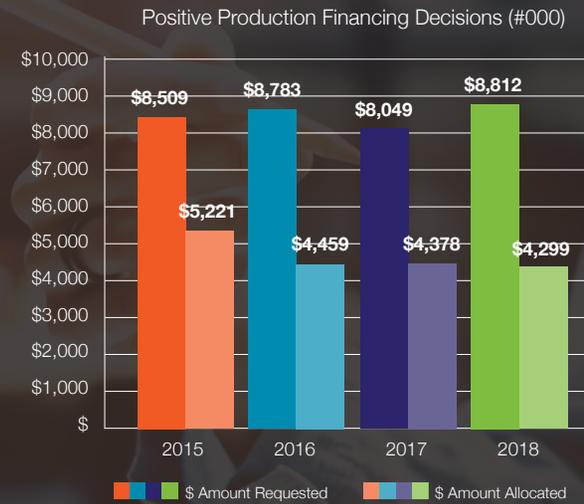


FIGURE 6

4.3.1. APPLICATIONS RECEIVED AND SELECTED

This year the volume of applications requesting production financing was the highest since launching the Fund. 43 submissions were received across three deadlines requesting more than \$8.8 million (Figure 5). Throughout the year the Fund also received 23 development and discoverability submissions.

During 2017-18 the Board allocated \$4.3 million in production financing to 14 exceptional projects (Figure 6). 91% of funding was to create programming and 9% to create non-programming. Positive funding decisions toward combined development, production and discoverability of health content totaled \$5.3 million for 26 submissions (Table 1 below).



MAUX MYSTÈRES

In *Maux Mystères* (literally “Mystery Woe”, a play on the French name for word search puzzles), people who are told they have a rare disease, often obscure even for doctors, see their lives confined to an endless quest for the right diagnosis.

Release date: January 2018 | Episode(s): 4 x 60 mins

RED LETTER FILMS



WEBSITE >

FUNDING STREAM	APPLICATIONS RECEIVED	POSITIVE DECISIONS	LETTERS OF INTEREST	CONTRACTED
Development	17	8	5	3
Production	43	14	10	13
Discoverability	6	4	1	3
TOTAL	66	26	16	19

TABLE 1

To date the Board of Directors has allocated \$22 million in positive funding decisions to 123 submissions. Applicants often require considerable time to complete their project financing and are not able to proceed to contract with the TELUS Fund within the same fiscal year. 107 of the 123 positive funding decisions to date have since entered into a financing agreement with the TELUS Fund including 19 during this fiscal year. Letters of interest remain outstanding on 16 projects.



LES AVENTURES DU PHARMACHIEN SEASON 2

A documentary series that goes after mistruths and popular beliefs on health issues. A creative and fascinating world with a funny and incisive host, the Pharmachien, who is on a mission to differentiate truth from nonsense.

Viewership is 20% higher for season 2 and the companion website has received 816k page views.

Release date: December 2017 | Episode(s): 13 x 30 mins

DATSIT STUDIOS QUINZE INC.  [EPISODES](#) [WEBSITE](#) 

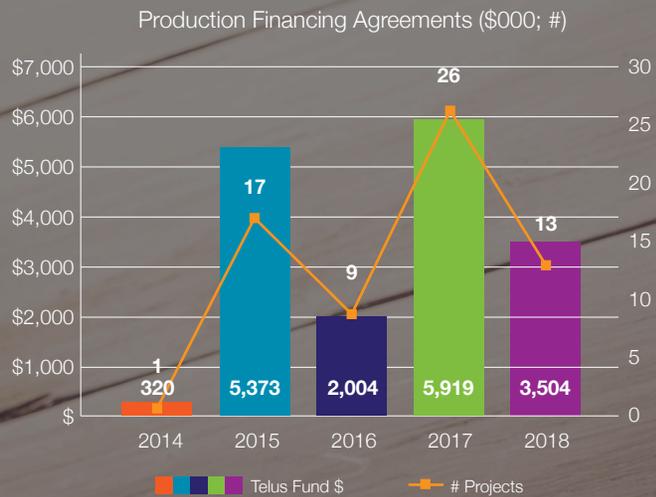


FIGURE 7

PRODUCTION CONTRACTS

The TELUS Fund selects the most competitive submissions from across Canada in English and French. To date a total of 66 projects have received \$17 million toward financing of production and launch campaign costs. 18 are currently in production. 48 projects have launched in Canada, including 15 projects showcased throughout this report. Applicants headquartered in Vancouver have received 33% of production financing followed closely by Montreal. Applicants based in regions outside the major production centres

have accessed 11% of total production financing. English language content has received 64% of total production financing to date, 25% to French language content with the balance to bilingual and Aboriginal language content.

This fiscal year 13 projects entered into production financing agreements with the Fund valued over \$3.5 million (Figure 7):

2017 – 2018 Regional Distribution (\$000; %)

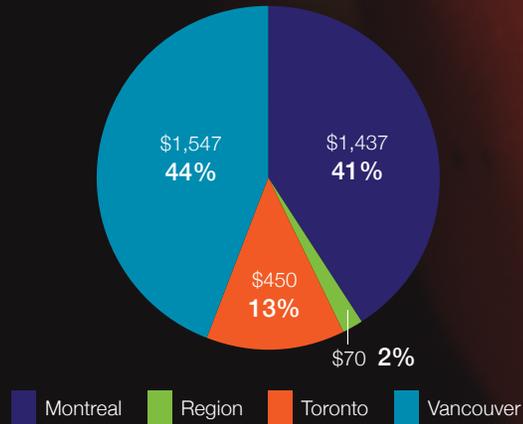


FIGURE 8

2017 – 2018 Language Distribution (\$000; %)

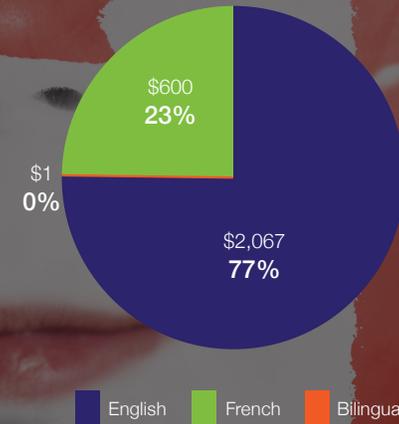


FIGURE 9

- The average amount of the TELUS Fund financing per project increased from \$229 thousand last year to \$270 thousand this year.
- The TELUS Fund financing was a lower percentage of the total project budget this year (from 27% to 15% this year) due to the average project budget more than doubling in comparison to last year.

A list of the projects entering into a production financing agreement with the TELUS Fund in 2017-18 is provided in Appendix C.

Working within a tight program budget, the distribution of funding by region and language can shift from year to year, depending on the location of the most competitive submissions. This year applicants from the regions received three positive funding decisions valued at \$388 thousand but only one was ready to contract before year-end (Figure 8). Positive production financing decisions were allocated 77% to English language content and 23% to French language content (Figure 9). At year end there were ten projects with letters of interest outstanding for production financing of more than \$2.2 million including six toward French language content, three toward English language content and the balance to bilingual content.

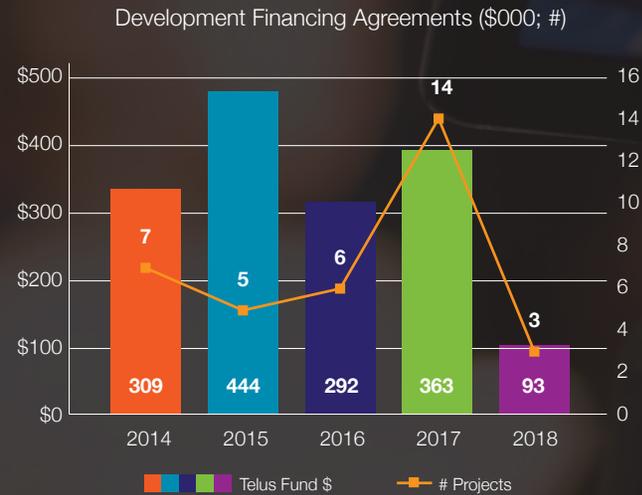


FIGURE 10

DEVELOPMENT CONTRACTS

To date the TELUS Fund has entered into 35 development agreements representing over \$1.5 million. This year 8 submissions received positive development funding decisions valued at \$335 thousand and three were able to contract before year end. (Figure 10).

The Fund received development financing submissions between September and May, instead of all year round as was the case in prior years. Applicants targeted the May closing date to make their submissions resulting in an unusually high number of submissions late in the fiscal year.



USERS GUIDE TO CHEATING DEATH

The anti-aging industry is worth almost \$10 billion a year. People want to live forever, and they want to look good the entire time. But how much actually works?

The series has been distributed to over 60 countries.

Release date: April 2018 | Episode(s): 6 x 30 mins

PEACOCK ALLEY ENTERTAINMENT INC.



WEBSITE >

Sixteen of the 35 projects that have received development financing have since received a green light to proceed into production. Six are still in active development. The remaining 13 received development financing more than 24 months ago and continue to seek financing to move forward into production.

A list of the projects entering into a development financing agreement with The TELUS Fund in 2017-18 is provided in Appendix B.

DISCOVERABILITY CONTRACTS

The funding stream for discoverability financing is intended for health and wellness content that has achieved measured success during the first year following its launch. This financing enables successful projects to continue driving viewership, renew and refresh the programming, and maintain the audience's experience.

Three projects demonstrating measurable success during the first year of their launch campaign received positive funding decisions in the amount of \$453k to expand their reach and impact. A list of the projects entering into a discoverability financing agreement with TELUS Fund in 2017-18 is provided in Appendix D.

The following infographics tell the story of two projects that received TELUS Fund financing targeted to increase their promotion and discoverability. *Stories for Caregivers* was originally designed as a destination for caregivers to share stories and support. It has since evolved into a community building initiative, driven by original short-form content designed to appeal to caregivers and generate awareness by engaging a wider audience. *Jenny* is a dramatic series and blog that follows a young girl who has been diagnosed with leukemia from the moment she finds out, up until recovery. *Jenny* received an International Emmy nomination for Best Kids Series and was a finalist in the Youth Media Alliance and G meaux Awards.



GHOST BFF

Best friends forever. A girls' ghost story about depression.

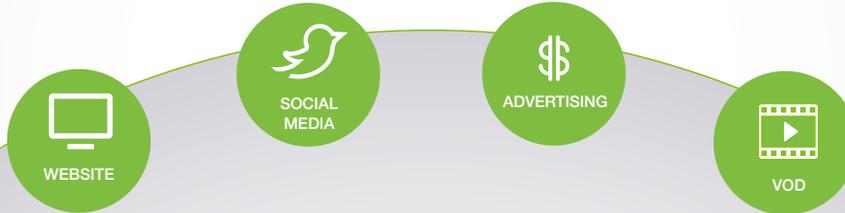
Over 5M views across digital platforms.

Release date: October 2017 | Episode(s): 10 x 5 mins

BABE NATION



WEBSITE >

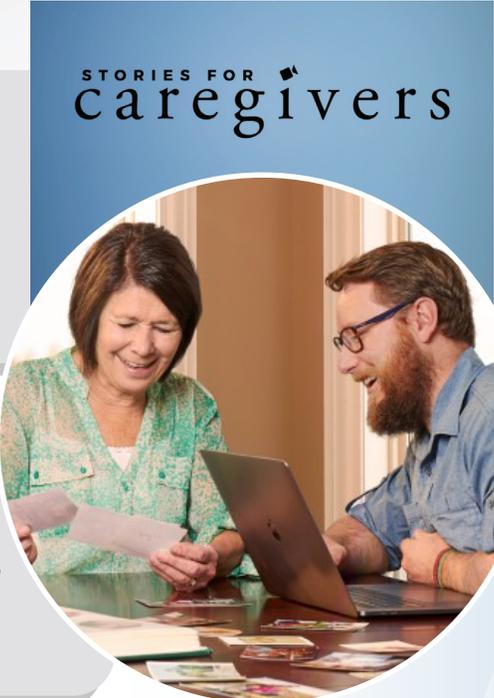


IMPACT

I stumbled across these videos, and this one really touched my heart. My son has cerebral palsy and to watch the friendship of these ladies grow over the years really **gives me hope** that my son will have a friend and advocate besides me to share in his life as well. **Thanks for sharing** these videos. *Fan comment*

Just binge watched all the episodes and will encourage many in my circle to take this in. **Cried with empathy and recognition.** Very sensitively and creatively done. I'd say this is **important for non-caregivers to watch as well.** Thank you to all who have taken part in being so vulnerable. *Fan comment*

I was so happy to see this come across my Facebook page because it was so fitting for me. I am a mother of a 25-year-old daughter with multiple disabilities. **Thank you for being here for all of us** who are going through some many different things. *Fan comment*



ENGAGEMENT

- 1,456 REGISTERED USERS
- 22K SOCIAL MEDIA FANS
- 181 SOCIAL MEDIA MENTIONS

REACH

- 1.21M VIDEO VIEWS
- 776.1K SOCIAL MEDIA REACH
- 385 ATTENDEES AT LIVE EVENTS
- 88.9K CANADIAN WEBSITE USERS
- 32.3M USERS THROUGH ONLINE, TV, RADIO AND PRINT NEWS.



IMPACT

JENNY

ENGAGEMENT

REACH

I just binge-watched 20 episodes at once and wow!! The Jenny series is simply touching and endearing. I want a sequel!
Fan comment

We cannot wait to see you again ... or rather, I cannot wait to see you behind my TV screen ...because I cannot see you in person! Very happy for you, you deserve everything that happens to you!
Fan comment

Please make longer videos of your challenges. So beautiful. Please continue!
Fan comment



222.5K
MINUTES OF CONTENT VIEWED

OVER 200
SOCIAL MEDIA MENTIONS

12K
SOCIAL MEDIA FANS

1.5M
ONLINE NEWS REACH

448K
VIDEO VIEWS

OVER 150
PIECES OF EXCLUSIVE CONTENT

100K
SOCIAL MEDIA REACH

13K
WEBSITE USERS; 3 MINS AVERAGE SESSION DURATION

5. FINANCE AND ADMINISTRATION

The TELUS Fund's operations are dependent on one contributor, TELUS Communications Inc, which is required by the CRTC to direct a portion of its required contribution to Canadian programming under section 29 of the Broadcasting Distribution Regulations to one or more independently administrated funds. The Commission monitors and enforces compliance with the requirements of the regulations.

In accordance with requirements in the policy framework for Certified Independent Production Funds, total revenues are allocated 95% to program funding and up to 5% to administration expenses.

5.1. REVENUES

Revenues to the Fund during fiscal year 2017-18 were \$5.2 million consisting of monthly contributions, investment income and project repayments.

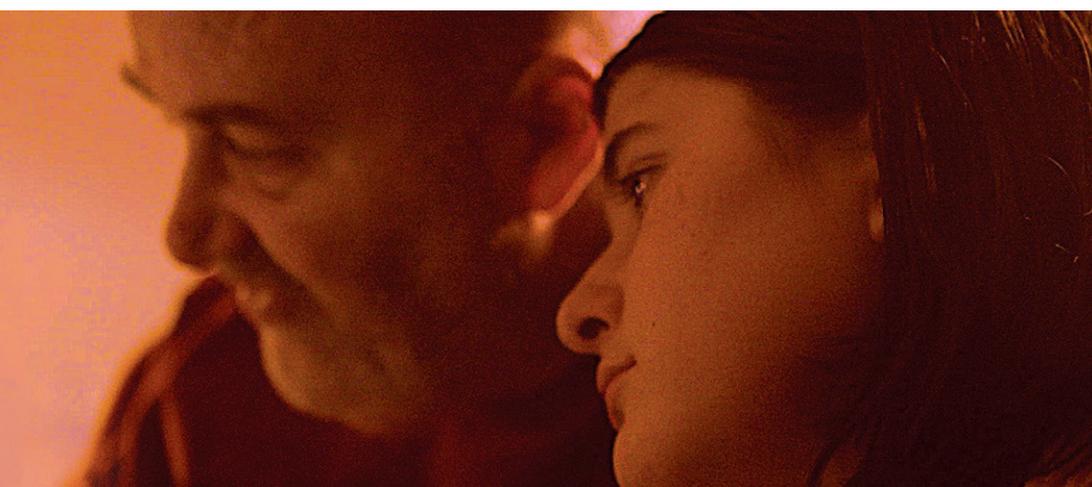
Since launching in 2013, the Fund has received contributions of more than \$25M to finance the creation of content by Canadian companies. Contributions in 2017-18 declined by 5% from the prior year due to a Commission approved

shift of contributions to TELUS Storyhive which provides an important voice for local producers to create Canadian programming.

The TELUS Fund invests contributions in interest-bearing accounts until these amounts are required to meet program and administrative expense requirements. Investment income contributed over \$226 thousand to the TELUS Fund budget this fiscal year.

Health and wellness programming generates revenue in two ways: the repayment of development financing upon commencement of production, and sales of the content to media buyers worldwide. A recoupment schedule in the Fund's financing agreement defines the way production revenues are disbursed. The Fund does not acquire an ownership interest in health and wellness content nor share in profits. Actual project revenues returned to the Fund from both sources in 2017-18 totaled \$94 thousand.

Combined interest and project revenues offset the reduction in contributions resulting in a program and administration budget consistent with the prior year.



I AM STILL YOUR CHILD

Over half a million of Canada's front line mental healthcare "workers" are less than 12 years old. Yet, nobody's heard of them... And they're left alone to cope with growing up with a parent who suffers from mental illness.

Release date: September 2017 | Episode(s): 1 x 45 mins

CATBIRD FILMS, INC.    [WEBSITE](#) 

5.2. EXPENSES

The Commission caps administration expenses at 5% of revenues and provides a 24-month window within which to commit program funding. These are challenging constraints for a micro-sized not-for-profit organization. The Fund would not be possible without a dedicated Board of Directors and use of TELUS boardroom space and support services. The TELUS Fund does not have employees, physical office space or equipment. The Fund's programs are delivered by a part-time team of independent consultants contracted from across the country.

Updates to the regulatory framework continued to have a material impact on the TELUS Fund's administration budget this year with added expenses. These include publishing an annual report and changing information systems and precedent documents to comply with new definitions. Consultant fees for application coordination and analysis were higher than the previous year, due to a large volume of submissions received. Accounting services also increased to manage the investment portfolio and project payment requirements. This increase in service provider costs were primarily offset by a reduction in travel expenses.

Budget constraints do not allow for the TELUS Fund to undertake in-person outreach with production companies. Subscribers to the TELUS Fund website receive newsletters with updates on health content entering the market, changes to program guidelines and application deadlines. Queries are also received at info@telusfund.ca

Administration expenses were \$282 thousand consistent with the previous year and within 5% of total revenues.



MUCH TOO YOUNG

A documentary film and virtual reality experience that follows four families as they deal with Alzheimer's disease at a shockingly young age, and then places the audience into the perspective of someone suffering with the symptoms of Alzheimer's related dementia through these stories.

The documentary has received over 650k views and over 2k downloads of the virtual reality downloads.

Release date: September 2017 | Episode(s): 1 x 90 mins

NOMAD FILMS INC.



APP >

WEBSITE >

APPENDIX A: Board of Directors in 2017-18



Nini Baird

Board Chair (Independent Director, residing in West Vancouver, BC)

Nini Baird has shared her expertise with TELUS since 1997, first as a member, and then Chair, of the TELUS Foundation Advisory Board (New Media & Broadcast Funds) and now as Chair of the TELUS Vancouver Community Board. She is currently Chair of the Knowledge Network Corporation Board and former member of the Creative BC Board (1994-2013).

Her B.C. post-secondary career included senior arts leadership positions at Simon Fraser University, Emily Carr College (now University) of Art and Design and Open Learning Agency/Knowledge Network.

Nini is a member of the Order of Canada and former Chair of the British Columbia Arts Council. Her awards include Honourary Doctor of Laws from Simon Fraser University (2015), recognition as one of the Top 100 Canada's Most Powerful Women by the Women's Executive Network (2013), the Keith Kelly Award for Cultural Leadership from the Canadian Conference of the Arts, and the President's 40th Anniversary Award from Simon Fraser University for her lifetime of devotion to the arts and leadership in the creation of their School for the Contemporary Arts.



François Côté

Board Vice-Chair (Independent Director, residing in Montreal, QC)

After a distinguished career of 35 years in executive positions, François Côté is now actively involved as a director of companies.

Formerly President and CEO at Emergis Inc., a publicly-traded company, Mr. Côté was appointed President, TELUS Health Solutions, following TELUS' acquisition of Emergis in January 2008. Mr. Côté held the position of President of TELUS Québec before being named Executive Vice President of TELUS and Vice-Chair of TELUS Québec, TELUS Health and TELUS Ventures in 2012 and in 2014-15 as Chair of TELUS Ventures. Mr. Côté also held a variety of management positions during a 17-year career at Bell Canada, after which he spent two years working in the health sector.

Holder of a Bachelor's degree in Industrial Relations from Laval University, Mr. Côté was named "2007 Ernst & Young Entrepreneur of the Year" in the Turnaround Entrepreneur category for the Québec region. In 2013, Mr. Côté was appointed Honorary Lieutenant-Colonel of the Canadian Army's 34th Signal Regiment.

Mr. Côté serves on the Board of Alithya, Lead Director on the Board of EXFO and Director of La Fondation Martin Matte. He is also Lead Director on the Board of Purkinje. He also serves on the Board of Aspire Food Group and serves on the Advisor Committee of Groupe Morneau.



Michel E. Bélec

Board Secretary (TELUS Representative, residing in Vancouver, BC, and responsible for representing Official Language Minority Community in funding decisions)

Michel Belec is Senior Vice-President, Chief Legal Officer, and Corporate Secretary of TELUS International. He leads an international team of legal professionals dedicated to value-add strategic support on corporate, commercial and investment transactions. He provides tactical legal advice to TELUS' international business units, seeking to create outstanding customer outcomes in the business market segment.

Michel also oversees best practices for our Corporate Secretariat office and is a strong supporter of local charities and regular participant in the delivery of TELUS' induction and learning programs.

Michel holds a BA from Simon Fraser University and an LL.B. from Osgoode Hall Law School. He is authorized to practice law in the in B.C., Alberta and Ontario and completed senior leadership training with INSEAD, the Rotman School of Management and the Schulich School of Business.



Dr. Brendan Byrne

Board member (TELUS Representative residing in Vancouver, BC)

As the Chief Innovation Officer of TELUS Health, Brendan leads TELUS' focus on continued digital innovation and the evolution of its health solutions from its current applications to an open platform of products and services. A self-described technophile, Brendan is passionate about the role mobile and digital technology can play in improving healthcare outcomes in Canada.

Prior to joining TELUS Health, Brendan founded Wolf Medical Systems, which at the time was the largest cloud-based electronic medical records (EMR) provider in Canada. He directed the evolution of Wolf from its inception in 1998 to becoming one of the fastest growing EMR companies in Canada, prior to its acquisition by TELUS Health in 2012.

Deeply committed to healthcare, he has more than 20 years of experience in family practice, including seven years as the Director of the Columbia Medical Clinic in New Westminister, B.C. Brendan has a degree in Neurobiology from Yale University and is a graduate of McGill University's Faculty of Medicine.



Dr. Mike Evans

Board Member (Independent Director, residing in Toronto, ON)

“Dr. Mike” was a staff physician at St. Michael’s Hospital, an Associate Professor of Family Medicine at the University of Toronto, the lead of Digital Preventive Medicine at the Li Ka Shing Knowledge Institute, and the first international recipient of an endowed university chair in Patient Engagement. In fall 2016, Dr. Mike began work with Apple in health innovation and is on faculty and doing part time clinic at Stanford University.

Dr Mike’s video “23 and ½ hours” has been seen by more than 8 million people. His Medical School for the Public on YouTube, with over 30 films, has been viewed by more than 16 million people worldwide and has more than 75 thousand subscribers. He has started Mini-Med School for the public at UofT, written an award winning kids book (the Adventures of Medical Man), has been Chief Editor of a Canada’s top selling primary care textbook of medicine, the Scientific Officer for Knowledge Translation at the Canadian Institutes for Health Research, doctor for the Sochi Olympics, and was the house doctor for the CBC weekend morning radio show, Fresh Air.

Dr. Evans’ work has been profiled in a wide range of publications from JAMA, the BMJ, the Lancet, to the Readers Digest and the hit Netflix series “Orange is the New Black”. Some of his awards include being chosen as the top 10 innovators in health by the Canadian Medical Association, Top 45 Canadians Over 45, and selected as 2015 Top 10 most important doctors in Canada by the Medical Post. For the documentary series on patient advice, “The Truth of It” (with filmmaker Wendy Rowland) Dr. Evans was awarded the 2015 Canadian Cancer Research Alliance award for Distinguished Service to Cancer Research. Dr. Evans was awarded the McNeil Medal from the Royal Society of Canada in recognition of his outstanding ability to promote and communicate science to the public.



Brett Marchand

Board Member (Independent Director, residing in Toronto, ON)

Brett Marchand is the head of Vision7 International and Cossette Communications, Canada’s largest advertising agency. As President and CEO of Vision7 International, he oversees Cossette as Executive Chairman, as well as Citizen Relations PR, V7 Media and The Camps Collective. Brett has seen Vision7 and Cossette be named a Platinum Employer by AON Hewitt (2017) and Agency of the Year by Strategy Magazine (2016), and several of its clients have been named Marketer of the Year for five of the past seven years.

Prior to his career in advertising, Brett was a marketer working for well-known brands like Procter & Gamble, Campbell’s Soups and Molson Breweries. His most famous achievement was the Molson Canadian “I am CANADIAN: The Rant” campaign, which has been recognized as Canada’s greatest of all time.

Brett is proud to have been named a recipient of the Queen’s Diamond Jubilee medal for his charitable work in Canada and abroad. He is deeply involved with not-for-profit organizations in healthcare (SickKids Hospital Foundation, St. Michael’s Hospital Foundation, and CBT Associates), education (Pathways to Education and the University of Alberta School of Business), technology (NewCo Toronto, C100, and the Ontario Science Centre’s Innovators Ball) and affordable housing (Chair of the Habitat for Humanity Carter Work Project, 2017).

APPENDIX B: Development Financing Contracts in 2017-18

Program Title	Program Category	Project Elements	Content	Production Company	Distribution Platform
Connecting the Dots	Analysis, documentary (2ab)	TV Program	If statistics show that 20% or 1 in 5, of all children and adolescents world-wide, suffer from mental disorders and suicide is the leading health related cause of death for youth in Canada and around the world. We must do something about it. "Connecting the Dots" will bring life to this controversial topic much discussed around the globe today with a clear objective to inform, educate and provoke dialogue, reflection and action to stimulate the transformation needed for a brighter future for this stigmatized and often neglected part of our society.	Filmblanc Inc.	To be determined
Noyades (dev)	Analysis, documentary (2ab)	TV Program	A documentary inspired by the tragedy of Olympic diving medalist Sylvie Bernier, with a digital component dedicated to the prevention of drowning in Canada.	Téléfiction Productions Inc.	CBC / SRC Stations
Stolen Lives	Analysis, documentary (2ab)	TV Program	A fresh and empathetic look at mental illness through poignant stories of people seeking better treatment.	Green Lion Productions Inc. (Region) (OLMC)	CBC / SRC Stations

APPENDIX C: Production Financing Contracts in 2017-18

Program Title	Program Category	Project Elements	Content	Production Company	Distribution Platform
Aventures du Pharmachien S2 (Les)	Analysis, documentary (2ab)	TV Series, Website	Les aventures du Pharmachien is a documentary series that goes after mistruths and popular beliefs about health.	Datsit Studios Quinze Inc.	CBC / SRC Stations
Bye (prod)	Analysis, documentary (2ab)	TV One-Off	With this documentary, Alexandre Taillefer seeks to understand what caused the suicide of Thomas, his 14-year-old son. He focuses on the mental health of young Quebecers and explores the impact of the virtual world on the real world. He wants to improve online detection of suicidal ideation as well as mental health prevention.	Productions Déferlantes	CBC / SRC Stations
Caring for those who care 2	Analysis, documentary (2ab)	Webisodes	Caring For Those Who Care is a docu-style web series. Each episode honours a caregiver, telling their story and rewarding them for all that they do.	North of Now Films Inc. (Region)	Digital Platform
Fast Health S2	Education, recreation, leisure (5ab)	Digital Episodes	Love yourself like you love your car.	North of Now Films Inc.	Digital Platform
Human - Taking our senses to the next level	Analysis, documentary (2ab)	TV Series	Discover, through touching stories, how new technological advances will shortly change or help us regain our ability to see, touch, hear, feel and taste and improve our lives. Five hours of exciting discoveries with its extensions on social media.	Ideacom International Inc.	CBC / SRC Stations
Magnitude of All Things	Analysis, documentary (2ab)	TV One-Off	Exploring grief and loss in changing times, filmmaker Jennifer Abbott applies what her dying sister taught her about life to the emotional challenges of climate change.	OFF ISLAND FILMS LTD	National Film Board of Canada
My 90-Year-Old Roommate	Drama, comedy (7)	Digital Episodes	Joe is a widower living alone, until his adult grandson, Ethan, moves in. MNYOR challenges the one-dimensional treatment seniors are often given in the media. By emphasizing their vitality, wisdom and sense of humour, we show that the elderly are more complex than the senile, curmudgeons they're often typecast as.	2567712 Ontario Inc.	CBC / SRC Stations
Noyades	Analysis, documentary (2ab)	TV One-Off, Webisodes, Game	A documentary inspired by the tragedy experienced by Olympic medallist Sylvie Bernier, accompanied by a digital component dedicated to drowning prevention in Canada.	Téléfiction Productions Inc.	CBC / SRC Stations

APPENDIX C: Production Financing Contracts in 2017-18

Program Title	Program Category	Project Elements	Content	Production Company	Distribution Platform
Paramedics: Life on the Line (aka First Responders)	Analysis, documentary (2ab)	TV Series, Website	First Responders" gives audiences unprecedented access to the working lives of the men and women in emergency medical services and reveal the challenging and unpredictable front line of health services	Lark Productions	Knowledge Network
Quand le cerveau explose	Analysis, documentary (2ab)	TV One-Off, Digital Episodes	Our documentary will raise public awareness of the risk of strokes through known personalities who will testify to the impact on their quality of life. Our guiding thread will be the story of host Josée Boudreault, whose stroke has touched and upset all of Quebec. We will follow Josée in her delicate rehabilitation and will present the latest medical advances that have helped save her life. Other testimonials will be added to her story to show how to deal with this disease that affects a Canadian every nine minutes. Health professionals will demonstrate how everyone, through healthy lifestyles, can prevent or reduce their risk of stroke.	lprod inc.	Bell Media Stations
Snowtime II	Drama, comedy (7)	TV One-Off, Game, Website	SNOWTIME! 2 is a sequel to the animated feature film SNOWTIME! and is a wild romp through the trials and tribulations, passionate joys and little victories of childhood	CarpeDiem Film & TV Inc. (OLMC)	CBC / SRC Stations
Stories for Caregivers_II	Analysis, documentary (2ab)	Website	Stories for Caregivers is a web-based platform showcasing professionally produced content about caregivers, while also building a community of caregivers to support and share their own stories for the purpose of generating awareness for the subject of caregiving among Canadians.	The Coup Company Ltd.	Digital Platform
User's Guide to Cheating Death (A)	Analysis, documentary (2ab)	Digital Episodes	Cutting through the noise and busting the myths to separate health fact from health fiction.	Cheating Death One Inc.	Zoomer Media

APPENDIX D: Discoverability Financing Contracts in 2017-18

Program Title	Program Category	Project Elements	Content	Production Company	Distribution Platform
Stories for Caregivers	Analysis, documentary (2ab)	Digital Episodes, Website	Promotion campaign on behalf of three web series: Being There “Does anyone care that you’re caring? We do... and we want to help you find your place in the story; Caring for Those Who Care “Each episode honours a family caregiver, telling their story and rewarding them for all that they do”; and House Calls with Dr. Yvette Lu “A family physician connects caregivers to experts to solve caregiving challenges”.	The Coup Company	Digital Platform
Bye	Analysis, documentary (2ab)	TV Program	In this documentary, Alexandre Taillefer focuses on the mental health of young Quebecers and questions the impact of today's technologies on mental and relational balance. He tries to understand, as father, the suicide of his son Thomas, 14 years. In Quebec, barely half of young people with mental health problems are diagnosed and many find it difficult to integrate socially. Some people find video games a form of escape. They can devote up to 15 hours a day and build their own parallel universe, their virtual world. Cyberdependence is not yet recognized as a mental health disorder and yet the experts consulted are all concerned	Productions Déferlantes	CBC / SRC Stations
Pilot Performance Initiative	Not Applicable	Not Applicable	Investigate the discoverability of the TELUS Fund portfolio of health content. Identify lessons learned and best practices with the potential to increase discoverability of future content.	Magnify Digital	Not Applicable

APPENDIX E: TELUS Fund Financial Statements for the Year Ending August 31, 2018

MANAGEMENT STATEMENT OF RESPONSIBILITY

The financial statements of the TELUS Fund have been prepared by management and approved by the Board of Directors. The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. Management is responsible for the contents of the financial statements and the financial information contained in the annual report.

To assist management in the discharge of these responsibilities, the Fund has a system of internal controls over financial reporting designed to provide reasonable assurance that the financial statements are accurate and complete in all material respects.

The Board of Directors oversees management's responsibilities through an Executive Committee (Committee). The Committee will meet as required with both management and the external auditors to discuss the scope and findings of audits and other work that the external auditor may be requested to perform from time to time, to review financial information, and to discuss the adequacy of internal controls. The Committee reviews the annual financial statements and recommends them to the Board of Directors for approval.

The Fund's external auditors, Alan F. Saucier, Inc., Chartered Professional Accountants, have conducted an independent examination of the financial statements in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to express an opinion in their Auditors' Report. The External Auditors have full and unrestricted access to management and the Committee to discuss findings related to the integrity of the Fund's financial reporting and the adequacy of internal control systems

INDEPENDENT AUDITOR'S REPORT

To the Directors of The TELUS Fund

I have audited the accompanying financial statements of The TELUS Fund, which comprise the statement of financial position as at August 31, 2018 and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The TELUS Fund as at August 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

ALAN F. SAUCIER INC.
Chartered Professional Accountant
North Vancouver, B.C.
October 17, 2018



**The Telus Fund
Statement of Financial Position
as at August 31, 2018**

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 898,915	\$ 603,150
Marketable securities (Note 2(f))	6,374,371	6,648,340
Interest receivable	3,228	2,955
Other receivables	1,177	—
	7,277,691	7,254,445
LONG-TERM INVESTMENTS (Note 2(f))	1,200,000	1,200,000
	\$ 8,477,691	\$ 8,454,445
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 53,634	\$ 830,099
Due to related party (Note 5)	—	22,290
	53,634	852,389
NET ASSETS (Unrestricted)	8,424,057	7,602,056
	\$ 8,477,691	\$ 8,454,445

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

APPROVED BY THE DIRECTORS

..... Director

..... Director

**The Telus Fund
Statement of Operations and Changes in Net Assets
for the Year Ended August 31, 2018**

	2018	2017
REVENUE		
Contributions (Note 4)	\$ 4,860,943	\$ 5,348,009
Recoupments	98,801	207,177
	4,959,744	5,555,186
EXPENSES		
Program funding disbursements	4,285,143	5,290,585
Consulting fees	225,135	219,071
Marketing and communications	23,366	18,398
Honoraria	12,850	17,750
Professional and insurance fees	12,525	12,668
Board expenses	5,925	13,463
Office expense	2,525	3,536
Travel	406	5,094
	4,567,875	5,580,565
EXCESS (DEFICIENCY) OF OPERATING REVENUE OVER OPERATING EXPENSES	391,869	(25,379)
NET INVESTMENT INCOME (Note 8)	430,132	10,030
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	822,001	(15,349)
NET ASSETS, beginning of the year	7,602,056	7,617,405
NET ASSETS, end of the year	\$ 8,424,057	\$ 7,602,056

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

**The Telus Fund
Statement Of Cash Flows
for the Year Ended August 31, 2018**

	2018	2017
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses for the year	\$ 822,001	\$ (15,349)
Non-cash items affecting income:		
Unrealized (gain) loss due to (increase) decline in value of investments	(248,791)	58,848
Realized foreign exchange (gain) loss	(45,649)	1,301
Investment acquired through spinoff	—	(2,998)
	(294,440)	57,151
	527,561	41,802
Changes in non-cash working capital balances		
Investment in marketable securities	568,409	(6,705,491)
Interest receivable	(273)	1,862
Other receivables	(1,177)	27,796
Accounts payable and accrued liabilities	(776,465)	763,936
Amounts due to a related party	(22,290)	22,290
	(231,796)	(5,889,607)
	295,765	(5,847,805)
INVESTING ACTIVITIES		
Investment in long-term investments	—	(1,200,000)
INCREASE (DECREASE) IN CASH DURING THE YEAR		
CASH , beginning of the year	603,150	7,650,955
CASH , end of the year	\$ 898,915	\$ 603,150

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

Interest paid in the year was nil (2017 – nil).
Income tax paid in the year was nil (2017 – nil).

**The Telus Fund
Notes to Financial Statements
for the Year Ended August 31, 2018**

1. Purpose and operations

The TELUS Fund (“Fund”) is a not-for-profit organization incorporated under the Canada Not-for Profit Corporations Act on June 13, 2013. The Fund effectively commenced operations on September 1, 2013. It is certified as an independent production fund by the Canadian Radio-television and Telecommunications Commission (“CRTC”).

The purpose of the Fund is to encourage and support the creation of exceptional Canadian health and wellness content for television and/or digital media. The Fund receives cash contributions primarily from TELUS Communications Company’s broadcasting distribution undertakings (“BDUs”) as permitted by the CRTC. The Fund then makes disbursements in the form of recoupable advances to eligible productions which may be recovered, in accordance with the funding agreements, if the funded projects earn revenue. Since the purpose of CRTC’s contribution regime is to allow contributions to be funnelled directly to eligible productions, all contributions to the Fund and any recoupment on equity or loans must be directed to eligible content productions within a period of two years from the date of the contribution or recoupment.

2. Significant Accounting Policies

(a) Basis of presentation

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

(b) Revenue recognition

The Fund follows the deferral method of accounting for revenue. Contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Interest and other investment income is recognized as revenue in the year that it is earned. Changes in fair value of equity instruments that are quoted in an active market are recognized as income in the period in which they are incurred. Recoupable advances are recognized as revenue in the year in which funded projects report earned revenue.

The Telus Fund
Notes to Financial Statements
for the Year Ended August 31, 2018

2. Significant Accounting Policies (continued)

(c) 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 materially from these estimates as additional information becomes available in the future.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank accounts and those items which are readily convertible into cash that mature in three months or less.

(e) Financial instruments

The Fund initially measures its financial assets and liabilities at fair value when acquired or issued. With the exception of equity instruments that are quoted in an active market, the Fund subsequently measures all of its assets at amortized cost less impairment, if applicable. Equity instruments that are quoted in an active market are measured at fair value at each reporting period. 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.

Financial assets measured at amortized cost include cash, interest receivable and contributions receivable. Financial assets measured at fair value include investments in equity instruments that are quoted in an active market. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(f) Investments

Marketable securities that are readily liquidable are reported as current assets on the statement of financial position. Investments with fixed terms that will not mature within one year are reported as non-current assets on the statement of financial position.

(g) Related party transactions

Related party transactions in the normal course of business are recorded at the exchange value.

(h) Income taxes

The Fund is incorporated as a not-for-profit society and therefore is not subject to income taxes.

(i) Program funding commitments

The development and production financing agreements that are entered into by The Fund with independent production companies define conditions and milestone dates to be met by the independent production companies prior to the disbursement of payments by the Fund. The Fund records payments as program funding disbursements in the statement of operations when the specific milestones have been achieved. The balance of funding commitments for production and financing agreements are identified in Note 10 for which specific funding milestones were not achieved by the fiscal year ends.

**The Telus Fund
Notes to Financial Statements
for the Year Ended August 31, 2018**

3. Cash

The Fund's bank accounts are held at one Canadian financial institution. The savings bank account currently earns interest at 1.45% per annum.

4. Contributions receivable

Contributions due from a BDU are non-interest bearing, unsecured, and have no specific terms of payment.

5. Related party transactions

During the year the Fund received contributions from a BDU. These transactions are in the normal course of operations and measured at exchange value, the amount of consideration established and agreed to by the related parties. At August 31, 2018 the reimbursement due to a BDU for over contributions was nil (2017 - \$22,290).

6. Economic dependence

The Fund's operations are dependent on one contributor, TELUS Communications Inc., which is required by the CRTC to direct a portion of its required contribution to Canadian programming under section 29 of the Broadcasting Distribution Regulations to one or more independently administered funds.

7. Amounts payable in respect of government remittances

	2018	2017
	\$ —	\$ —

8. Investment income

Investment income is reported on the statement of operations net of fees.

	2018	2017
Interest	\$ 40,864	\$ 62,138
Dividends	81,340	1,115
Other investment income	78,525	6,926
Loss on disposition of securities	(29,898)	
Foreign exchange gain (loss)	45,649	(1,301)
Realized investment income	216,480	68,878
Unrealized gain (loss) due to increase (decrease) in fair value	248,791	(58,848)
	465,271	10,030
Less investment fees	35,139	—
	<u>\$ 430,132</u>	<u>\$ 10,030</u>

9. Financial Instruments

(a) Fair values

The Fund's financial instruments include cash, investments in equity instruments, interest receivable, other receivables, accounts payable and accrued liabilities, and amounts due to a related party.

The carrying value of financial assets measured at amortized cost is \$2,136,824 as at August 31, 2018 (2017 - \$2,007,846).

The carrying amount of financial liabilities measured at amortized cost is \$53,634 as at August 31, 2018 (2017 - \$852,389).

b) Credit risk

Credit risk is the risk that the Fund will incur a loss due the failure by its debtors to meet their contractual obligations. The Fund assesses its credit risk as low for cash and interest receivable as cash is placed in a credit-worthy Canadian chartered bank and guaranteed investment certificates. Credit risk on the contributions receivable is limited due to the government mandated requirement for TELUS Communications Company to direct a portion of its funding to Canadian media production.

The Telus Fund
Notes to Financial Statements
for the Year Ended August 31, 2018

(c) Liquidity risk

Liquidity risk is the risk that the Fund cannot meet demand for cash or fund its obligations as they come due. The Fund maintains adequate levels of working capital to ensure obligations can be met when they fall due. The nature of the Fund's operation is to disburse project funding only once it has received contributions from a BDU.

(d) Market risk

Market risk is the risk that the fair value of future cash flows and future cash flows of a financial instrument will fluctuate because of changes in market prices. The Fund controls market risk by investing in conservative investment portfolios, money market funds, and guaranteed investment certificates in accordance with a detailed investment policy. For purposes of disclosure, the Fund further segregates market risk into two categories: interest risk and currency risk.

- (i) Interest rate risk is the risk that changes in interest rates will affect future cash flows or fair values of financial instruments. The Fund's exposure to interest rate risk is low as interest-bearing instruments are either commercial savings accounts or guaranteed investment certificates with maturity dates spread over a five-year period.
- (ii) Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund considers its currency exchange risk to be moderate as it has placed \$C 1,374,460 (2017 - \$C 1,104,500) m an investment portfolio denominated in U.S. currency.

10. Contingencies and commitments

During the years ending August 31, 2014 to 2018 inclusive, the Fund authorized funding for ongoing development and production activities that were not completed and for which not all funding milestones were completed by the respective fiscal year ends. The Fund has contractually entered into commitments to make payments as follows:

	<u>2018</u>	<u>2017</u>
Funding commitments	\$ 19,002,784	\$ 15,084,751
Less disbursed funds	<u>(16,429,600)</u>	<u>(12,244,538)</u>
Undisbursed funding commitments	<u>2,573,184</u>	<u>2,840,213</u>

