



ANNUAL
REPORT
2018-2019

Promoting the Health and Well-being of Canadians



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“This year the Fund is particularly proud to have supported the creation of four critically acclaimed projects dealing with important health issues for children and youth.”



“Women drove the creation of health content this year and the learnings from special initiatives are informing decision making at all levels of TELUS Fund”

MESSAGE FROM THE CHAIR, NINI BAIRD AND THE EXECUTIVE DIRECTOR, ELIZABETH FRIESEN

The TELUS Fund finances the creation of exceptional content that promotes the health and well-being of Canadians. Since launching in 2013, a distinguished Board has allocated \$23.6 million to the creation and discovery of health content. This year the Board is particularly proud of four critically acclaimed projects dealing with important health issues for children and youth, including chronic disease in *Jenny Season 2*, sexual relations in *Let’s Talk about Sex*, the environment in *Anthropocene: the Human Epoch* and physical activity in *Racetime*.

In 2016, the Canadian Radio-television and Telecommunications Commission announced a new policy framework for Canadian Independent Production Funds, which included material changes requested by The TELUS Fund. Canadian production companies are now able to work with a wider pool of distribution platforms and The TELUS Fund can finance their efforts to develop and grow audiences for health content.

The TELUS Fund measures its success by the audiences achieved of funded projects. Early findings from health content entering the market revealed systemic barriers to measuring the success of health content. Production companies also identified significant challenges to reaching audiences. In response, three strategic priorities have driven The TELUS Fund’s activities since the launch of the policy framework.

The Discoverability Initiative renewed this year to include 22 funded projects. Production companies have received marketing expertise and collected data has been used to establish benchmarks to help measure future success.

Findings have transformed the program guidelines, day-to-day operations and decision making at all levels of The TELUS Fund.

This year the Commission’s undertakings were an opportunity for The TELUS Fund to re-confirm its governance and activities are aligned with the overall Policy objectives. While the full impact and success of funded projects and the Policy will be seen in future years, trends are already becoming apparent.

Over the past 3 years there has been a steady increase in the volume of health programming financed for transmission on digital platforms. Women are driving the creation of this health content with 65% of projects contracted this year including at least one woman in a leadership role. Applicants based in Montreal are submitting compelling projects in English and French. Their access has been steadily increasing and reached a new high of 53% of financing contracted this fiscal year.

The expanded pool of distribution platforms has increased the administrative burden to confirm eligibility but not increased the generation of creative ideas for development. These entities appear to have limited resources necessary to commission original content. The renewed call for Stories for Caregivers stimulated 50 creative ideas and the creation of two new web series which have achieved over 5.4 million views.

The TELUS Fund is a lean operation working within an administration budget capped by the policy at 5% of revenues. Working within this constraint The TELUS Fund continues to punch above its weight with the launch of initiatives to increase the discovery of award-winning content promoting the health and well-being of Canadians. A few exceptional projects are showcased throughout this Annual Report 2018-19.

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 TELUS Fund is made possible by the success of TELUS TV with more than 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 TELUS Fund in 2013, TELUS has contributed more than \$30 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 TELUS Fund looks 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 is a leader in home health monitoring, electronic medical and health records, as well as consumer health, benefits management and pharmacy management solutions. TELUS Health leverages the power of technology to enable better health outcomes for Canadians with innovative digital solutions that enable collaboration, efficiency and productivity for physicians, pharmacists, health authorities, allied healthcare professionals, insurers, employers and citizens.

3. GOVERNANCE

The TELUS Fund is independently governed and operates at arm's length from TELUS. A distinguished Board of six Directors delivered the mandate of The TELUS Fund in 2018-2019. The Board is composed of four independent Directors and two TELUS representatives. This year Michelle Gagné joined as a TELUS representative and the Board acknowledged the contributions of Brett Marchand whose term completed. More information on the Board of Directors including a brief biography is provided in [APPENDIX A: Board of Directors in 2018-19](#).



ANTHROPOCENE

At the intersection of art and science, the Anthropocene Project is a multidisciplinary endeavour combining film, photography, virtual and augmented reality to investigate human influence on our planet.

Release date: Sept 2018 | Episode(s): 1 x 87 min and 3 x 7 min

MERCURY FILMS INC. [f](#) [i](#) [t](#) WEBSITE [▶](#)

3.1 REGULATORY FRAMEWORK

The TELUS Fund acts in accordance the Commission's *regulatory policy framework* (the Policy). This fiscal year The TELUS Fund was impacted by two undertakings by the Commission:

- *THE BROADCASTING DECISION CRTC 2019-1*
- A Request for Information from CIPFs on the effectiveness of the 2016 Policy

These undertakings provided greater clarity on the Policy and were an opportunity for The TELUS Fund to re-confirm its own governance, program guidelines and operations complied with the requirements and overall objectives of the Policy. Health content typically requires one to three years from receipt of a positive funding decision to deliver to the distribution platform and then many years to achieve its full potential with audiences. An example of this is the project *MILK* first showcased in the 2016-17 Annual Report, which received a positive funding decision in 2013. Following an invitation from Pope Francis to present *MILK* at the Vatican and screen the film during the World Health Assembly in Geneva, as a tool to discuss legislation, producer Noemi Weis continued to inspire audiences this year with the *MILK* Educational Program. This successful program has now been implemented in Canada, Kenya, China, Peru and Colombia six years after The TELUS Fund's positive funding decision. Annual Report 2018-19 provides an account of activities



FIGURE 1

in this fiscal year and a discussion of the impact of the Policy so far. The full impact will be seen in the annual reports of future years.

The TELUS Fund's first step after receiving the 2016 Policy was to revisit its measures of success as described in *Section 4*. Findings from data collected have resulted in three strategic priorities described in *Section 5*.

4. KEY PERFORMANCE MEASURES

The TELUS Fund measures its success by the degree to which funded projects reach the intended audience in Canada, engage that audience and positively impact their health and well-being. These indicators are measurable and aligned with the Commission's objective to increase the discoverability of Canadian programming. When Canadian content is successful in reaching the intended audience, revenues increase from, for example, increased advertising and subscriptions. The whole broadcasting system, including production companies and distribution channels, benefits.



RACETIME

Racetime 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.

Release date: Dec 2018 | Episode(s): 1 x 89 min

CARPEDIEM FILM & TV INC.   WEBSITE 

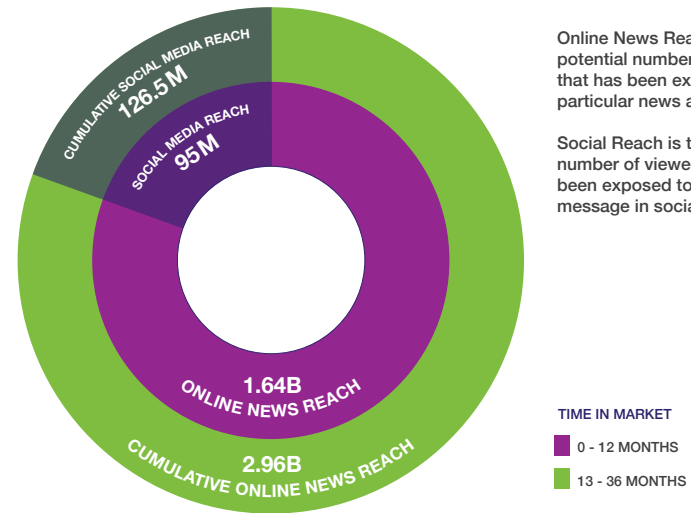
The TELUS Fund has identified two key performance indicators:

1. **Views** of programming, and
2. **Usage** of non-programming.

Defining a simplified data set enables The TELUS Fund to illustrate and compare the performance of funded health content. TELUS Fund launched the Discoverability Initiative in 2016 to help producers obtain expertise on data collection methodologies, a social media listening tool and timely data to report on measured performance. The initiative was renewed again this year and the subset of projects has grown to 22 whose results were featured in this section. Visualizing the data collected reveals trends, emerging benchmarks and outliers, making analysis far more manageable and meaningful. Production companies also report on recognition received (for example earned media, critical acclaim, audience feedback and festival invitations) and revenues earned from sales of the project. These are secondary indicators whose results often, but not always, correlate with the above two key performance indicators.

4.1.1 PERFORMANCE ACHIEVED

Figure 2 displays the Online News and Social Reach of 15 projects launched within the past 36 months. Health content launched in the last 12 months has



Online News Reach is the potential number of viewers that has been exposed to a particular news article.

Social Reach is the potential number of viewers that has been exposed to a particular message in social media.

FIGURE 2

Online News Reach of over 1.6 billion for a cumulative total for all projects of close to 3 billion. Social Reach is also impressive with 95 million for projects launched in the last 12 months and 126.5 million cumulative Social Reach.

Of particular note is the Online News and Social Reach contribution of projects *Les aventures du pharmacien Seasons #1-3*; *Anthropocene: the Human Epoch*; *Racetime* and *The Superfood Chain*.



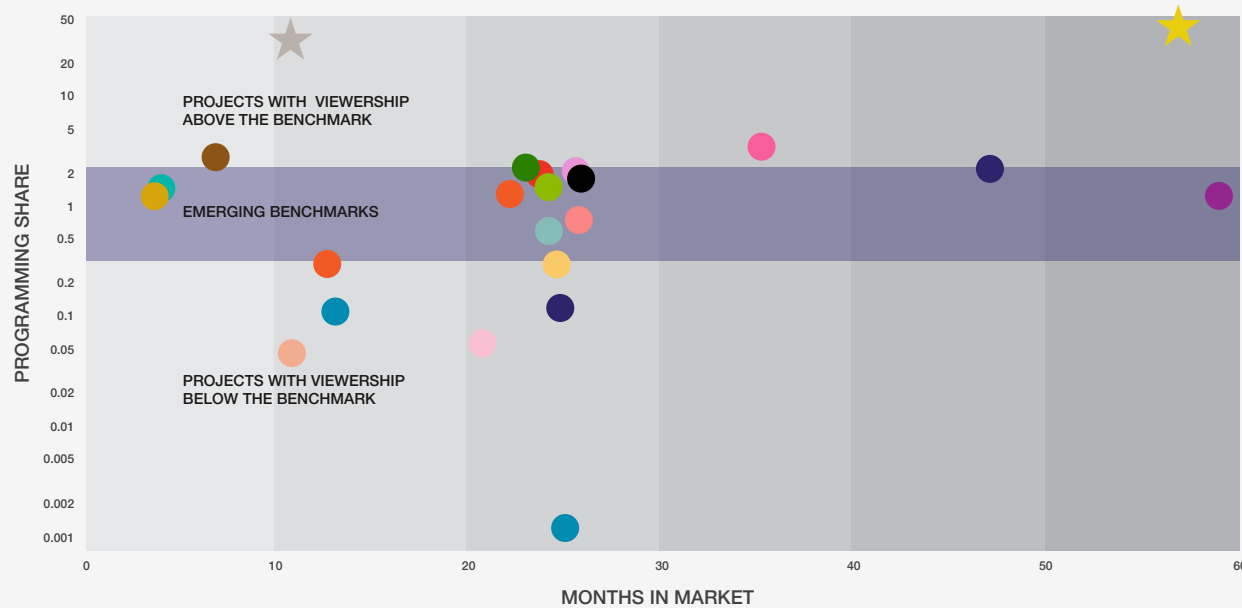
HUMAN + THE FUTURE OF OUR SENSES

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.

Release date: July 2019 | Episode(s): 5 x 52 min

IDEACOM INTERNATIONAL INC.    WEBSITE 

IEWS OF PROGRAMMING



Cumulation of:

- AMAs from broadcast
- Views from SVOD, OTT
- Live event attendees
- YouTube video views
- Facebook video views (3 sec)
- Instagram video views
- Rentals and sales

FIGURE 3

This solid reach is also borne out in the viewership data. Figure 3 depicts viewership data for the full subset of 22 projects. Multiple viewership data points are cumulated for each of the 22 projects. The Programming Share is a calculation of the individual project's share of the total viewership achieved by the entire subset of projects. The goal of these charts is to identify benchmarks and outliers within a portfolio of health content for further analysis, not rank individual projects. This is why the individual project titles have been removed.

The illustration reveals programming viewership for most projects cluster in certain zones at certain times. The benchmark for health programming ranges between a lower line of 180,000 views to upper line of close to 1.3 million

views. Dots that appear outside the zone indicate projects that are under or over performing relative to the cohort. These outliers are ripe for analysis and often an excellent source of best practices and lessons that may be shared with future TELUS Fund projects.

Of particular note this year is the viewership success of *Défi Santé 5/30*, *Racetime* and *Paramedics: Life on the Line*.

USAGE OF NON-PROGRAMMING

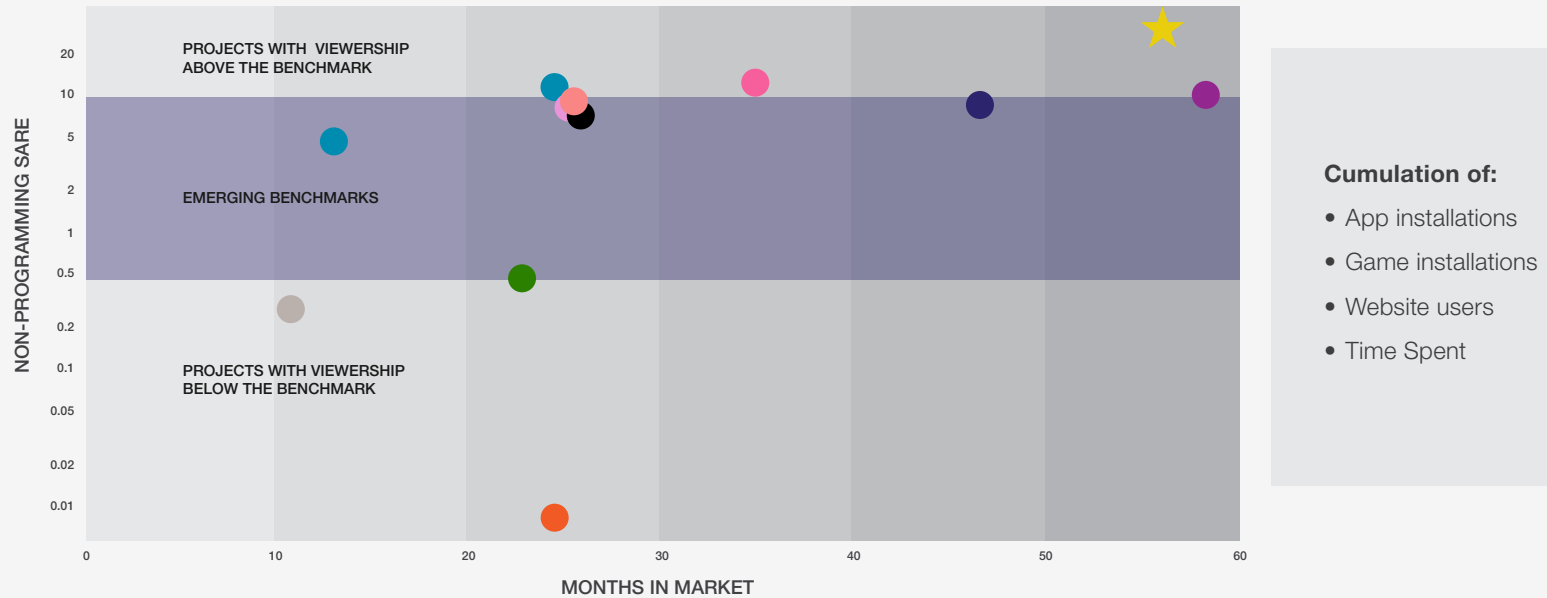


FIGURE 4

Figure 4 illustrates the usage of 12 of the 22 projects which included a non-programming component. Analysis of these data points indicates audience usage for most projects tend also to cluster relative to time in market. There also does not appear to be a strong correlation between success in the viewership data points and success in the usage points. A notable exception is *Défi Santé 5/30*, which is a mature project launched in 2015 that enjoys a larger user base and has undertaken multiple audience activations over consecutive renewals of the initiative.

The benchmark for health non-programming ranges between a lower line of 6,600 users spending seconds to 143,000 users spending an average of 2.5 minutes on the page. Projects that fall outside the “benchmark corridor” warrant further analysis. Identifying those underperforming early in the launch cycle is valuable as those projects may have time to course correct. Notable this year is the success of *Racetime*, *Stories for Caregivers*, *Milk* and the continued strong performance from *Jenny Seasons 1-2*.

In 2018-19, The TELUS Fund dove deeper into the data of two funded projects: *Stories for Caregivers* and *Racetime*. The performance of these projects is shown in the following two infographics. We are grateful to the production companies for their openness and enthusiasm to share data, best practices and lessons learned, which have the potential to increase the discoverability of health content for years to come.

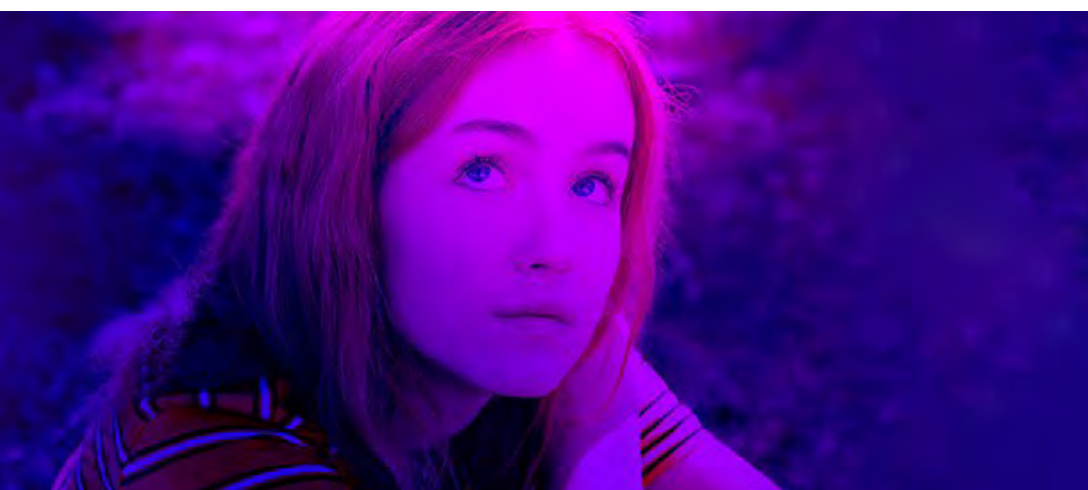
Stories for Caregivers is an initiative produced by The Coup Company designed to change the way Canadians think and feel about providing care. Their strategy is to generate awareness about caregiving through the creation of original web series that showcase the inspiring work of caregivers across Canada. In 2017, The Coup Company created a platform to host the content, undertook a call for creative ideas, worked with producers from across Canada to create three web series and then oversaw a publicity and digital marketing campaign on behalf of the entire initiative. With lessons learned, in 2018 the Coup Company shifted its focus from driving users to the website

to reaching the target audience on established online channels where caregivers were already aggregating. There was a renewed call for web series of shorter lengths per episode and an increase in the complementary featurettes produced for each series. The results have been truly remarkable with more than 5.4 million views of content produced and the largest following of caregivers in Canada. This case study reveals the effectiveness of paid advertising and marquee influencers, such as Jann Arden and Biff Naked, to drive audience reach without losing sight of the greater potential for organic content to deliver quality engagement and views. Equally important is ensuring access to a health professional such as Stephanie Erickson to respond to audience questions and concerns. [Infographic #1](#) provides a glimpse of the results of Stories for Caregivers to date.

Racetime is produced by Carpediem Film & TV Inc. This beautifully crafted feature-length animated film builds on the success of box-office hit Snowtime! Versioned in French and English, this ambitious project includes high-quality digital assets and activations across multiple platforms, involving multiple partners. The film is a wild romp through the trials and tribulations, passionate joys and little victories of childhood. While the storyline portrays children being physically active, which is an important health issue, of greatest interest to The TELUS Fund was the event tour planned during the launch campaign in collaboration with ParticipACTION. This was an opportunity to explore

the potential of storytelling to do more than raise awareness of an issue. The event tour had the potential to motivate children and their families to get out during the cold winter months and become active. A complex mix of stakeholders in the project led marketing of various assets of the project with a strong out-of-home presence, particularly in Quebec. The production company led live events with mascots in malls and at premieres. This film demonstrates the importance of a multiplatform discoverability plan that encompasses all project elements, obtains buy-in from all stakeholders, formalizes influencer involvement and ensures access to robust data within contractual arrangements. Despite the challenges this producer faced in obtaining data from all partners, the results received are remarkable with the film earning more than \$2.6 million in the box office and more than 15,000 Canadians, mostly families, attending live events held in eight cities across Canada. [Infographic #2](#) portrays the story of Racetime and its success in reaching the target audience.

Going forward, The TELUS Fund is exploring opportunities to collaborate with other funding agencies to automate data collection and reporting to reduce the reporting burden on health content producers and ensure they obtain critical information on a timely basis.



JENNY II – MA RECONSTRUCTION

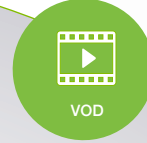
The post-cancer period is an important matter for teenagers who have been through this illness. Jenny II follows Jenny (14 years old) who is recovering from leukemia. By facing the psychological and physical effects of her illness, she will develop tools that will help her manage her emotions and will encourage other young Canadians to use them.

Release date: April 2019 | Episode(s): 20 x 13 and 56 x 30 and 90 sec

PRODUCTIONS AVENIDA INC.   [WEBSITE](#) 

Stories for Caregivers (S4C)

is in its second season providing a destination for caregivers to share stories and support. Social media channels are the platform for community building and transmitting content created.



S4C is now the largest community of Canadian caregivers online. TELUS Fund supports this milestone by providing funding for the S4C web series, feature vignettes, and paid media.



IMPACT



This series is the best thing that has happened to me since I took in my mom two years ago when she had a stroke and a heart attack. **I have gained more knowledge since you came on my feed.** Keep this community moving forward and keep giving hope to a generation. *Todd Mullin, Facebook comment*

I am currently a caregiver for my husband who has brain cancer. **I need this support group.** *Carolyn Wood, Facebook comment*

Really lovely to be included in #Cypher series from Stories for Caregivers. **Thanks for watching** and spreading the word. *xo. Bif Naked, Website comment*



ENGAGEMENT



81%

SURVEYED ON FACEBOOK SAID S4C SUPPORTED THEIR CAREGIVER JOURNEY AND 90% WANT TO SEE MORE STORIES



55K

TOTAL SOCIAL MEDIA ENGAGEMENTS



100%

COMPLETION RATE FOR GROWING TOGETHER FEATURETTES (YOUTUBE)



48K

FOLLOWERS ON FACEBOOK



REACH



ENGAGE



POSITIVELY IMPACT CANADIANS

REACH



5.4M

VIDEO VIEWS (ALL VIDEOS, ALL PLATFORMS)



2.8M

ALL VIDEOS, MIN. 10 SEC VIEW



735K

SOCIAL MEDIA REACH



13M

ONLINE NEWS REACH



Racetime is the sequel to the highly successful animated feature film, Snowtime! Available in English and French, the film is a wild romp through the trials, joys and victories of children participating in a spectacular sled race through the village.

The Racetime experience was extended via a National Outreach Tour supported by TELUS Fund that inspired over 15K Canadians in 8 cities to go out and play in the snow.

FILM • TV • VIDEO SHORTS • 360 VIDEO • WEBSITE • SOCIAL MEDIA • SOUNDTRACK
 DVDS • BOOKS • MERCHANDISE • LIVE EVENTS • 5D EXPERIENCE



IMPACT



TOP 3

SOUNDTRACK SINGLE
 'BEAUTIFUL DAY' CHARTED
 IN TOP 3 FOR 20 WEEKS.



16

FESTIVAL INVITATIONS



3 AWARDS

INCLUDING ACTRA MONTREAL
 AWARD: LUCINDA DAVIS,
 OUTSTANDING VOICE
 PERFORMANCE – FEMALE



100

KIDS AUDITIONED
 TO BE PART OF
 COOL KIDS BAND



REACH



ENGAGE



POSITIVELY
 IMPACT
 CANADIANS

ENGAGEMENT



\$2.6M

IN BOX OFFICE
 RECEIPTS



15,450

ATTENDEES - NATIONAL
 OUTREACH TOUR



4,000

ATTENDED 5D EXPERIENCE



\$28,000

IN BOOKS SALES

REACH



28.5M

BROADCAST (AMAS)



824,000

VIDEO VIEWS ON
 SOCIAL MEDIA



101.5M

ONLINE NEWS REACH



4.8M

SOCIAL REACH



5. STRATEGIC PRIORITIES

The TELUS Fund has provided production financing to 78 projects since launching in 2013. Nine are in production and 69 projects have launched publicly. Actions undertaken in 2016 to measure and report on project performance revealed systemic barriers to measuring and achieving success. There is a lack of standardized performance metrics across the industry and distribution platforms are reluctant to share data. Broadcasters often do not begin promotion efforts until after delivery of the production elements and restrict marketing and promotion initiatives led by the production company. An industry-wide response is required to remove these barriers. Production companies also identified significant challenges consistently constraining their success:

- Lack of access to marketing expertise necessary to complete comprehensive audience research, develop integrated discoverability plans, implement data collection methodologies necessary for timely marketing decisions, and build audience reach and engagement,
- Lack of resources to sustain publicity and promotion activities necessary to grow audiences, which becomes more acute for health content with a long lifespan, and
- Lack of access to expensive data collection and analysis tools.

Informed by these early findings, The TELUS Fund established the following three strategic priorities, which have driven its actions since the launch of the 2016 Policy.

5.1 INCREASE THE DISCOVERABILITY OF HEALTH CONTENT

The data collected within the Discoverability Initiative is used to identify emerging benchmarks for health content, validate forecasts and set growth objectives for the viewership of future funded content. This analysis leads to lessons learned and best practices to optimize the discoverability of future health content. Findings also inform program design, policies and funding allocations. For example, based on these findings, TELUS Fund has increased per project financing to ensure a minimum allocation of 5% in the project budget for launch campaign plans and launched the new Discoverability Funding stream to finance sustained audience development and success after the initial launch of health content. The TELUS Fund is keen to share lessons learned and best practices from the experience of previously funded health content with prospective applicants to improve the quality of submissions and discoverability of future health content. This annual report is one means of sharing findings.



LIVING IN HOPE

Behind every mental illness there is a person. Hear their stories. Witness the strength of the human character.

Release date: Nov 2018 | Episode(s): 4 X 60 min and 25 x 2 min

STRANGER PRODUCTIONS INC.   EPISODES > WEBSITE >

Findings from analysis of submitted reports has also revealed a skills gap in defining the target audience, forecasting reach and engagement, building cohesive strategies, working with partner organizations and influencers, implementing digital marketing tactics and tracking results. Production companies without ready access to marketing expertise are missing opportunities to grow audiences. In the absence of a coherent discoverability plan across all project assets, partners and stakeholders, high-quality health content does not achieve its fullest reach and impact. Program funding has been allocated to participate in a cross-Canada tour in 2019-20 to provide general training on the creation of discoverability plans and share insights from specific case studies to help producers obtain marketing expertise, create content for the defined target audience and develop their discoverability plans.

5.2 ENHANCE THE QUALITY OF SUBMISSIONS

Story-driven content is a powerful medium with the potential to engage our emotions, create empathy, and convey knowledge in entertaining ways. **The TELUS Fund does not commission health content but relies entirely on third-party applicants to achieve its mandate.** Applicants generate creative ideas, develop project plans, apply to The TELUS Fund for financing, create the content, work with the distribution platform to promote and transmit the content to the target audience, and report on success. Unfortunately, The

TELUS Fund is limited in its capacity to raise awareness of available funding due to the Commission's cap on administration expenses. The TELUS Fund relies on word of mouth and credit placement in funded content to generate awareness of its programs. Interested stakeholders can visit The TELUS Fund's website where they will find Steps to Apply, Program Guidelines, Evaluation Criteria and Application Forms. They can also subscribe to receive two to three newsletters per year announcing upcoming deadlines and recently launched health content.

The Program Guidelines require applicants demonstrate a successful track record producing comparable professional content. The applicants must also demonstrate demand for the proposed health content from expert organizations in the subject area, third party financiers, and distribution platforms (the Minimum Support Requirements). The Minimum Support Requirements are a barrier to entry that filters the potential volume of submission to those of the highest quality with the greatest potential for success. The attachment of expert individuals and organizations ensures health choices are not negatively impacted by content that may cause unnecessary offence to some viewers, present editorial bias, or promote unverified research.



LOCKER ROOM DOCTOR S2

Doctors talk health with guys in a context they understand: at the rink playing recreational hockey.

Release date: Oct 2018 | Episode(s): 6 x 4 min

REFRAME HEALTH FILMS INC. [f](#) [i](#) [t](#) WEBSITE [▶](#)

The Commission's decision in the 2016 Policy to eliminate the requirement to obtain a Canadian broadcast licence before applying was an opportunity for Canadian production companies to develop health content for a much larger pool of distribution platforms. However, many digital platforms do not have the infrastructure of Canadian broadcasters and are not in business of commissioning original content, monitoring deliverables, transmitting large volumes of programming or reporting on standardized data measures. To ensure quality health content is set up for success, The TELUS Fund has established a minimum performance threshold for distribution platforms of at least 20,000 attendees, subscribers, followers, and/or average views per episode of programming. A new distribution platform support form has also been launched for the October 2019 submission deadline to obtain minimum information on the platform's track record with comparable content, their marketing strategies and forecast targets for the health content commissioned.

The evaluation criteria within the Program Guidelines are used by the Board of Directors to evaluate submissions and render funding decisions. As the portfolio of health content grows, patterns of success are emerging. We have identified those factors, which tend to detract from success (low alignment) as well as other factors, which have the potential to drive success (high alignment). The evaluation criteria include most recent findings related to low to high alignment, which help to distinguish between comparable submissions and support an objective decision-making process. This is also an important

tool to help applicants make a successful submission and request a level of financing relative to the project's forecast success.

The application form solicits key information to inform decision making. The form now includes a more robust list of forecast marketing and promotion expenditures and forecast measures of performance.

These high standards to apply for financing have resulted in quality health content that wins prestigious awards and receives screening invitations from specialized film festivals around the world. A few examples in 2018-19 include:

- Six Canadian Screen Award nominations and four winners for *Anthropocene: The Human Epoch*, *How to Buy a Baby*, *Jenny* and *Ghost BFF*
- Two Emmy Award nominations from the International Academy of Television Arts & Sciences for *Jenny*
- Ten nominations and three winners for Gémeaux Awards for *Jenny Season 2* and *Que mangera-t-on demain?*
- Finalist at Numix for *Les aventures du pharmacien S3*
- Two Prix Iris nominations for *Racetime/La Course des Tuques*

JOSÉE BOUDREAU, PLUS FORTE QUE L'AVC

This unique documentary sheds light on Josée Boudreau's stroke that she suffered in July 2016. With her strength of character, her positive attitude and her great resilience, we follow her life after the stroke. We will meet neurologists and other health specialists who will describe a stroke in plain words for us to get to know the different types, symptoms and prognosis.

Release date: Sept 2018 | Episode(s): 1 x 60 min and 10 x 2.5 min

LES PRODUCTIONS

ISABELLE MARÉCHAL INC. / IPROD INC

WEBSITE >

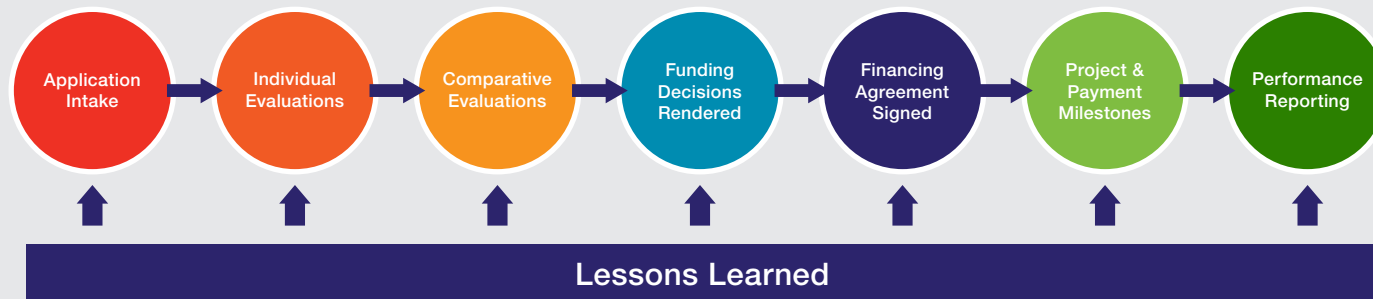


FIGURE 5

5.3 IMPROVE DECISION MAKING

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.

Applications requesting production financing or more than \$75,000 in discoverability financing are received at two submission deadlines from production companies located across Canada working in English and French. During the decision-making process, the Board of Directors assess each submission individually according to the Evaluation Criteria and in comparison, to others in The TELUS Fund portfolio. Applications for development financing or less than \$75,000 in discoverability financing are received throughout the year. These submissions are first assessed according to the Evaluation Criteria by the Executive Director and positive recommendations are presented to the Board of Directors for decision.

With each positive decision, the Board seeks to ensure the projects selected for funding are well financed and given the best chance for success. The Directors also benefit in their decision making from the experience of previously funded projects. Here are examples of the impact of lessons learned on decision making:

- Reduced financing to online destinations created specifically for the related programming that include, for example, original programming, sophisticated games, and interactive education materials. Experience indicates it is much easier to position programming on existing platforms and applications where target audiences are already gathering rather than creating new destinations.

- Increased financing to live events and co-viewing experiences within the launch campaign plans as an opportunity to extend the reach of the project and facilitate audience engagement.
- Increased per project production financing specifically for minimum marketing and promotion allocations. On average TELUS Fund production financing this fiscal year represented 45% of the average project budget, which is higher than the five-year average of 39%.
- Increased per project financing at the development stage to cover costs associated with retaining marketing expertise, undertaking research, and planning the launch campaign. This fiscal successful applicant received an average of \$30,000 per project representing 63% of their development financing costs.

The TELUS Fund decision making begins at the application stage. Key decision points also occur when entering into a financing agreement, reviewing payment requirements and approving the first performance report (Figure 5). Within The TELUS Fund’s financing agreement, production companies are now asked to describe their high-level marketing strategies, performance forecasts, and minimum marketing and promotion expenditures. The TELUS Fund’s payments coincide with milestones in the creation of the project and milestones in preparation for a successful launch campaign. The first performance report is required at pre-launch to ensure the data collection methodology is well defined and production companies will receive timely data to inform decision making during the launch campaign. At every major milestone in the application lifecycle The TELUS Fund’s decision making is influenced by lessons learned and best practices from previous health content with the objective to increase the discoverability of future content.

FUNDING STREAM	SUBMISSIONS RECEIVED 2018-2019	POSITIVE DECISIONS 2018-2019	LETTERS OF INTEREST OUTSTANDING AT YEAR-END	CONTRACTED 2018-2019
Development	36	8	6	6
Stories for Caregivers Special Call	50	5	0	5
Production	26	10	5	13
Discoverability	16	9	1	8
TOTAL	128	32	12	32

FIGURE 6

6. APPLICATIONS RECEIVED AND SELECTED

TOTAL SUBMISSIONS BY FUNDING STREAM IN 2018-19

The TELUS Fund had two deadlines in fall 2018 and spring 2019 for submitting production financing and discoverability financing requests over \$75,000. Applications for development financing and discoverability financing less than \$75,000 were received between September and the end of May. The TELUS Fund also renewed the Stories for Caregivers special call for English web series.

Overall, The TELUS Fund received 128 submissions to all funding streams, from which 32 were selected to receive funding. Thirty-two projects entered into a financing agreement with The TELUS Fund in 2018-19. There were 12 outstanding letters of interest at the year-end. (Figure 6)



ON JOUE AU DOCTEUR

The magazine program comes into Quebec homes to guide families in a fun and entertaining way about family health.

Release date: Jan 2019 | Episode(s): 13 x 30 min and 13 x 1:30-2 min

DATSIT SPHÈRE INC [f](#) [i](#) [t](#) WEBSITE [▶](#)

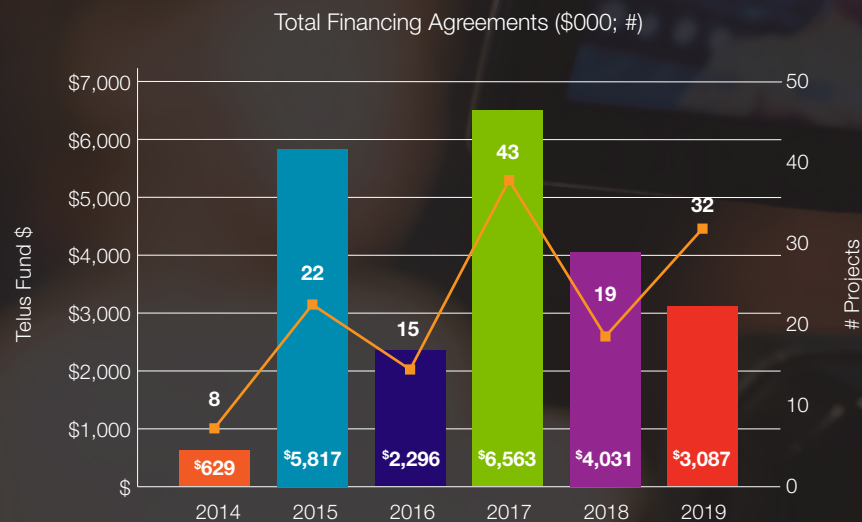


FIGURE 7

TOTAL TELUS FUND FINANCING AGREEMENTS

Since launching, The TELUS Fund has entered into 139 agreements representing more than \$22 million in development, production and discoverability program funding. Typically, applicants have 90 days after a positive decision within which to contract with The TELUS Fund, but some need more time to secure project financing. As a result, the volume of projects contracted from year to year will fluctuate considerably as evidenced in Figure 7.

- The number of projects contracted increased from 19 in the last fiscal year to 32 this year at a lower total amount (including the Discoverability Initiative discussed in [Section 5.1](#)).
- In addition to the 32 projects contracted during the fiscal year, there were 12 outstanding letters of interest totalling \$1,2 million.

6.1 DIVERSITY OF PROJECT PORTFOLIO

The TELUS Fund is looking for exceptional health content from across the country in English and French. Funding is available to support health content at every stage of the project lifecycle, from development to expanding the reach and impact of already successful content. Beyond earmarking funding for the Stories for Caregivers special call for web series, there are no pre-established allocation objectives. This allows The TELUS Fund to be agile and responsive to the needs of the best submissions received, regardless of health subject matter, region, language, genre, format or target audience.

The information provided in the following Sections 6.1.1 to 6.1.5 is based on the finance agreements signed, not the positive funding decisions during each fiscal year. Significant fluctuations in the diversity of The TELUS Fund portfolio from year to year are typically due to projects with a positive funding decision in one year not being captured in the data until the next fiscal year, when they are ready to proceed to contract. In addition, one project receiving a significant funding amount can materially impact the diversity of the portfolio from one year to the next. While annual amounts have been provided, the trend line over time is a more meaningful indicator of The TELUS Fund's ever-evolving portfolio.

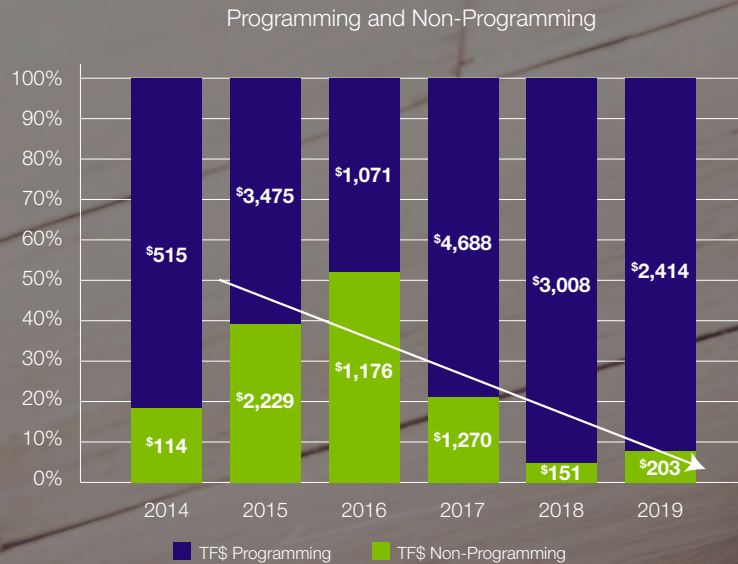


FIGURE 8

6.1.1 PROGRAMMING AND NON-PROGRAMMING

At least 90% of program funding must be allocated to the creation of programming. Programming refers to story-driven content intended for transmission to Canadian audiences in a linear fashion without significant end-user interaction or customization. The 2016 Policy allows for up to 10% of The TELUS Fund’s program funding to be allocated toward the creation of non-programming and its related marketing and promotion. Non-programming digital content includes story-driven video games, interactive or customizable web content, applications, podcasts, curriculum, electronic magazines and books, and other types of digital assets that are not programming. Prior to 2016, the 10% maximum was applied to digital media works, which include non-programming and digital programming not intended for broadcast.

In 2016, The TELUS Fund immediately updated information systems and program guidelines to align with the Policy requirements. Applicants were now required to submit separate plans, financial arrangements and budgets for programming and non-programming from applicants. The TELUS Fund monitors positive funding decisions at each deadline to ensure non-programming does not exceed the maximum of 10%. Financial participation in marketing, publicity and promotion is allocated to programming, unless

the expenditure is intended solely for the purpose of raising awareness of and driving usage of the non-programming.

The redefinition has had an important impact on the nature of programming funded. In 2016-17, The TELUS Fund financed production of three submissions that included digital programming. By 2018-19, the number grew to 15 submissions receiving financing toward creation of digital programming.

By contrast, The TELUS Fund’s financing toward non-programming has been steadily declining (Figure 8). In recent years, The TELUS Fund has moved away from funding interactive content (e.g. games, complex websites, educational materials, social forums and applications) hosted on a platform different from where the programming is being transmitted.

The platform transmitting the programming has historically shown little interest in driving audiences to use and experience the interactive content on a different platform. The disconnect between the marketing ambitions of the distribution platform and the production company created significant challenges in gaining traction for the digital media works. The TELUS Fund now gives priority within limited funding to non-programming that is related to funded programming and hosted by the same distribution platform.

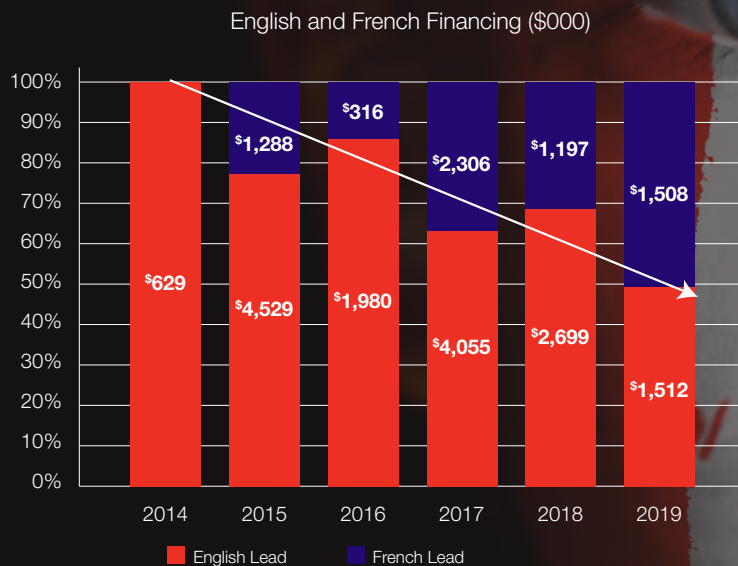


FIGURE 9

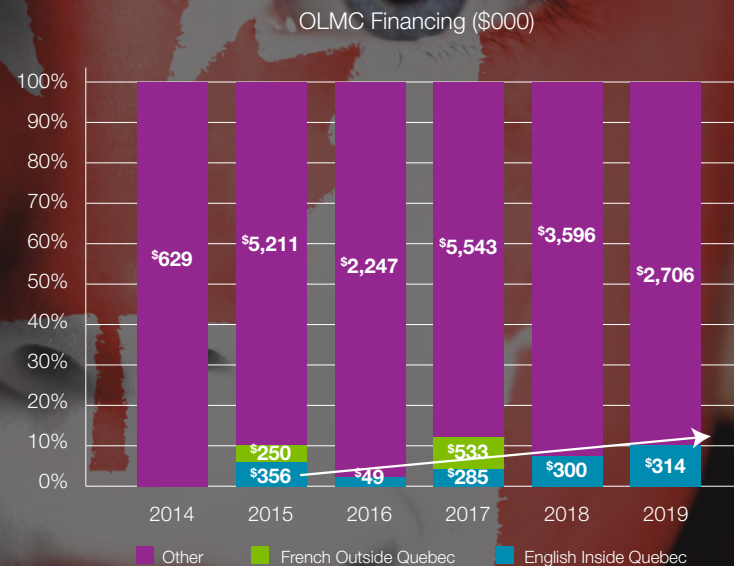


FIGURE 10

6.1.2 LANGUAGE

Six of the 31 projects contracted this year had commitments to transmit the programming in both English and French. The first airing will be in English for 24 projects and in French for 7 projects

- Since 2016 there has been a steady decline in submissions and funding allocated to content first airing in English (see Figure 9).
- 50% of financing contracted in 2018-2019 was allocated to content first transmitting in French. This is significantly higher than the historical average of 21%.
- The allocation of program funding to the Stories for Caregivers special call has partially offset the decline in demand for health content from distribution platforms in the English market. Additional initiatives to stimulate health content in the English market will be considered in 2019-20.

6.1.3 OFFICIAL LANGUAGE MINORITY COMMUNITY

2016 Policy required Canadian Independent Production Funds to appoint at least one Director during the decision-making process 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. Reporting requirements were also amended to include tracking of English-language projects from applicants headquartered in Quebec and French-language projects from applicants outside Quebec.

Since implementation of the new policy framework, The TELUS Fund's financial participation in English-language projects in Quebec has been increasing as a percentage of the overall portfolio, while French projects from applicants outside of Quebec are rarely received (Figure 10).

Regions and Production Centres

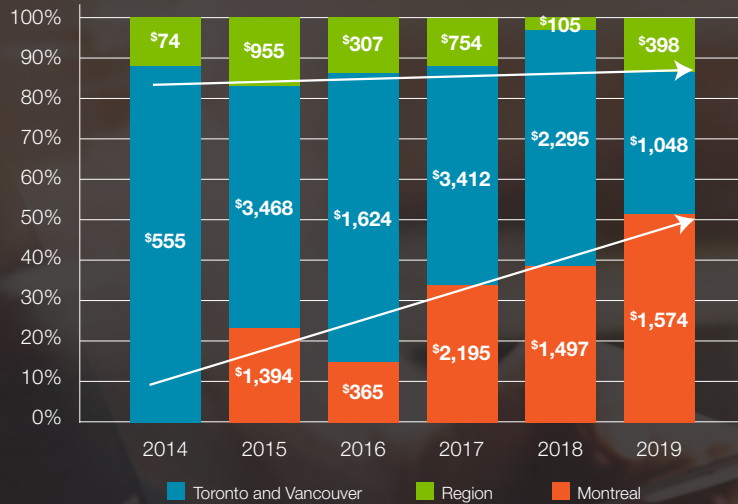


FIGURE 11

6.1.4 GENDER

In May 2019, the Commission asked CIPFs to provide information on a variety of questions, including which measures The TELUS Fund had taken to ensure that more women play leading roles in the Canadian film and television production industry. This data point and objective were not identified in the 2016 Policy and, until this request, had not been tracked by The TELUS Fund.

The TELUS Fund has updated application forms for 2019-20 to include gender identification of key personnel and updated information systems to report on women in key leadership positions identified by the Commission including, for example, producer, director, writer, cinematographer and showrunner. In the meantime, The TELUS Fund scanned the key personnel attached to projects contracted in the last two years to identify leadership roles it believes are filled by women, although they may not have self-identified.

Health content includes a strong representation of women in leadership positions with 65% of projects contracted in the last two fiscal years including a woman in at least one leadership position:

- In 2017-18, 13 of the 19 projects contracted included women in at least one leadership role. Five projects included women in three leadership positions.
- In 2018-19, 20 of the 31 projects contracted (not including the discoverability initiative) included at least one woman in a leadership role with two projects including women in four leadership positions.

6.1.5 REGIONS

Applicants based in the 'regions' are headquartered outside of the production centres in Toronto, Vancouver and Montreal.

The share of funding to content from applicants based in the regions has remained relatively steady.

There has been a substantial increase in the share of TELUS Fund financing allocated to content from applicants headquartered in Montreal with a commensurate decline in funding to projects originating in Vancouver and Toronto (Figure 11).

6.2 DEVELOPMENT FINANCING

Eight submissions were selected to receive development financing in 2018-19. The successful applicants typically demonstrated demand for their content to be developed from third-party financiers and expert organizations and at least a letter of interest from a distribution platform.

This fiscal year, The TELUS Fund received a high volume of 36 submissions. The May 31 closing date for submissions stimulated a rush of development submissions unable to meet the minimum support requirements. In the rush to meet the closing date, applicants did not have time to request an exception to the minimum support requirements in advance of applying, which resulted in an unusually high demand and rejection rate. In 2019-20, The TELUS Fund will return to receiving development submissions throughout the year to ensure funding is available when projects are ready to proceed.

The 2016 Policy, which eliminates the requirement for support from a Canadian broadcaster, has not resulted in a meaningful increase in the number of submissions for development financing with demonstrated demand from a distribution platform. Applicants continue to struggle with demonstrating support for content in the early stages of development from Canadian broadcasters or digital platforms in the business of transmitting content. The TELUS Fund has added discretion into the program guidelines to waive

or delay receipt of support from distribution platforms on a case-by-case basis for projects well-aligned to the mandate and launched a special call for submissions to stimulate development.

STORIES FOR CAREGIVERS SPECIAL CALL

In 2017, The TELUS Fund launched a Special Call for Web Series to surface stories with the potential to positively impact individuals providing care for loved ones. Many filmmakers applied and 10 were selected to create pilot episodes. Audiences were invited to support their favourites online and three series were launched to the public, which amassed a staggering 1.2 million views.

Strong measured success led the Board to allocate financing to produce additional episodes of the two most successful series and renew the Stories for Caregivers special call. 50 eligible submissions were received by the September 2018 deadline. The most competitive 20 submissions were reviewed by a distinguished jury, including experts in the subject area. The Board selected five submissions to receive development financing to produce a pilot episode and advance their creative materials. Each project proposed to approach the subject of caregiving from a different point of view with great potential to attract new audiences. They also included an exciting mix



ON PARLE DE SEXE

Let's talk about sex: from the clitoris to consent, to porn, sexting and masturbation.

Release date: Sept 2018 | Episode(s): 35 x 5 min

ÉCHO MÉDIA [f](#) [i](#) [v](#) WEBSITE [▶](#)

of lifestyle, documentary, animation and scripted drama. The pilots were posted online at StoriesforCaregivers.com for audience evaluation for two weeks in January and reviewed by experts in the field and the Board. Two were selected to receive production financing: *Growing Together* and *Cypher*. More information on the results of the Stories for Caregivers special call can be found in [Infographic #1](#).

DEVELOPMENT FINANCING AGREEMENTS

- During the year, 11 projects entered into a development financing agreement with The TELUS Fund, including five web series selected in the Stories for Caregivers special call (Figure 12).
- In addition, there were six outstanding letters of interest for projects not yet ready to contract valued at \$215,000.

Since launching, The TELUS Fund has entered into a total of 47 development financing agreements of which 41% or 19 have proceeded into production. Ten are in active development. Eighteen projects completed development more than 24 months ago and have not yet proceeded into production. While these projects may still move forward, they are considered inactive for reporting purposes. A list of projects entering into a development financing agreement with The TELUS Fund is provided in [APPENDIX B: Development Financing Contracts in 2018-19](#).

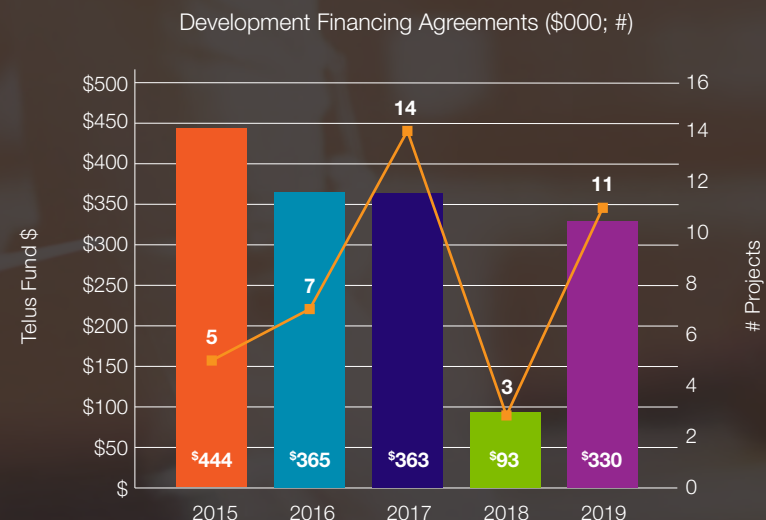


FIGURE 12



SOMETHING IN THE AIR

Something in the Air is a one-hour film to broadcast on CBC's documentary series *The Nature of Things* with David Suzuki. The documentary speaks to the continued deterioration and new risks in the most essential element for survival: air. The invisible ultra-fine particles that we breathe in every three seconds affect our brains, our DNA and overall health and well-being.

Release date: Feb 2019 | Episode(s): 1 x 44 min

ZOOT PICTURES INC [f](#) [i](#) [t](#) [WEBSITE >](#)

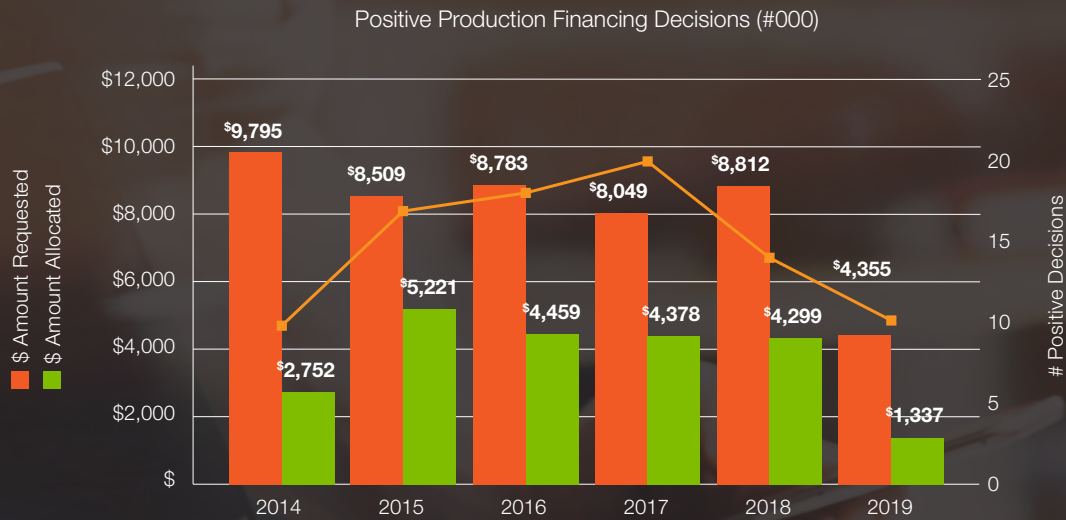


FIGURE 13

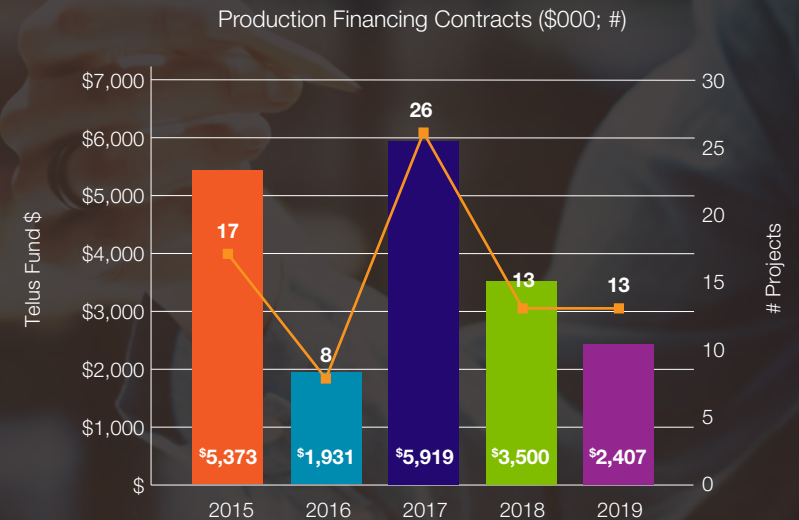


FIGURE 14

6.3 PRODUCTION FINANCING

The volume of production financing submissions this fiscal year was the lowest since launching The TELUS Fund. Twenty-six submissions were received at two submissions deadlines, including five pilots for web series previously selected in the Stories for Caregivers special call

- 38% of submissions received a positive financing decision.
- \$1.3 million in production financing was allocated to 10 projects, including two successful web series in the Stories for Caregivers special call (Figure 13).

To stimulate a broader range of submissions, The TELUS Fund will reduce the required minimum third-party financing from 10% to 5% in 2019-20 and continue to favourably recognize in the evaluation criteria those submissions able to exceed this low threshold.

PRODUCTION FINANCING AGREEMENTS

- The number of production financing agreements is the same as the last fiscal year (Figure 14).
- The average budget per project dropped significantly in 2018-19 from \$1 million to a low of about \$565,000 per project.
- On average, The TELUS Fund allocated \$185,000 per project, which is also lower than the average since its inception (\$249,000).

A list of projects entering into a production financing agreement with The TELUS Fund is provided in [APPENDIX C: Production Financing Contracts](#) in 2018-19.

6.4 DISCOVERABILITY FINANCING

Submissions requesting Discoverability Financing increased this fiscal year to 16. Eight projects were selected and entered into financing agreements with an average of \$70,000 in TELUS Fund financing to create additional content, expand the reach and impact of their content and support their data collection and reporting requirements.

A list of projects entering into a discoverability financing agreement with The TELUS Fund is provided in [APPENDIX D: Discoverability Financing Contracts in 2018-19](#).

7. 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 revenue from subscribers to Canadian programming under Section 29 of the Broadcasting Distribution Regulations. The Commission monitors and enforces compliance with the requirements of the regulations.

In accordance with requirements in the policy framework for CIPFs, 95% of TELUS Fund revenues are allocated to program funding and up to 5% to administration expenses.

7.1 REVENUES

Revenues to The TELUS Fund were down from \$5.2 million last year to \$5.1 million in 2018-19, primarily due to a decline in the TELUS contribution. Revenues from recoupment from program funding and investment income remained stable. Despite increasing trends in “chord cutting” by Canadians, TELUS forecasts stability in its contributions to The TELUS Fund, based on two factors: 1) the number of subscribers is forecast to continue growing despite declining revenue per subscriber, and 2) the Commission denied a request by TELUS to adjust the calculation of their required contributions to Canadian programming.

The TELUS Fund undertook a review of its investment manager and policies and the Board has authorized changes to both. Increased investment revenue is forecast in the next fiscal year.



THE SUPERFOOD CHAIN

The Superfood Chain explores the facts and myths of “superfoods” and how the superfood industry affects food security for fishers and farmers globally.

Release date: Oct 2018 | Episode(s): 1 x 70 min and 1 x 52 min

FATHOM FILM PRODUCTIONS INC. [f](#) [i](#) [t](#) [WEBSITE >](#)

7.2 EXPENSES

The single greatest challenge faced by The TELUS Fund has been the Commission's cap on administration at 5% of contributions, regardless of the size of the CIPF. The TELUS Fund's administrative budget is roughly \$255,000 to deliver programs in 2018-2019, manage a growing portfolio of health content and meet the objectives and requirements of the Policy. This is a challenging constraint for a micro-sized not-for-profit organization. The TELUS Fund is governed by a volunteer Board and does not have employees, physical office space or equipment. The TELUS Fund's programs are delivered by a part-time team of independent consultants.

The TELUS Fund currently receives submissions from across the country from applicants working in English or French. The TELUS Fund's website, program guidelines, application forms and annual reports are available in both English and French. Contracted analysts are also available to serve clients in English or French.

The Policy impacted The TELUS Fund with one-time costs to change information systems to meet new reporting requirements and to overhaul program guidelines, application forms and standard documentation requirements to meet new definitions. There are also ongoing costs related to data entry for submissions received, development of data reporting tools, and design an Annual Report for publication.

Since launching in 2013-14, the total portfolio has grown to 139 contracts at year end 2018-19. Most health content requires at least three fiscal years from a positive funding decision to contract, deliver and achieve success. The vast majority still require some form of follow-up and due diligence to ensure The TELUS Fund can report on its performance. Unlike other larger funding agencies with a larger administrative budget and volume of submissions, The TELUS Fund does not have the budget to create an application portal or online database for a relatively small portfolio of funded projects. All applications are filed manually along with their standard documentation requirements. Coordinators must complete data entry into an Excel workbook, which is then used for creating pivot tables to meet the reporting requirements in the Annual Report.

The TELUS Fund's due diligence requirements have also increased as a result of the Policy. Analysts must confirm applicants allocate funding from within the production budget for closed captioning and described video, which The

TELUS Fund lists as a minimum requirement in its financing agreement. The TELUS Fund does not have resources to scrutinize the transmission of the programming to ensure the distribution platforms makes the content available to Canadians with closed captioning and described video.

An important element of the Policy is to increase support for script and concept development. Unfortunately, merely opening the Policy to allow all digital platforms accessible by Canadians to trigger a submission did not result in a meaningful increase in quality submissions. The Policy also removed the requirement that an applicant first obtain a license from a Canadian broadcaster, provided there was a commitment to make the content available on a platform accessible by Canadians. Resources had to be allocated to evaluate the capacity and plans of new digital platforms. The TELUS Fund has had to establish minimum requirements for these platforms and shift resources to perform due diligence on their track record with comparable content, launch campaign plans and capacity to collect and report on standard measures of success in reaching the intended audience.

Another important element of the Policy is to increase the promotion and discoverability of Canadian content. Initial findings revealed systemic barriers limiting the potential discoverability of funded content that need to be addressed. The Executive Director shifted away from application handling duties to work with external experts to design and implement the discoverability initiative in response to early findings. Analysts stepped in to meet application handling duties resulting in an increase to billable hours to The TELUS Fund.

The above operational changes to implement the 2016 Policy were made possible by moving limited administrative resources away from other areas. The TELUS Fund reduced the size of the Board from nine to six Directors. The number of application deadlines for production financing was also reduced from three to two, along with the number of in-person meetings of the Board of Directors. Meeting rooms and support services were donated by TELUS. The TELUS Fund also eliminated the modest communications budget (previously used to raise awareness of programs and financing available) and the travel budget (previously used to attend industry events, consult on program design and meet with prospective applicants).

During 2018-19, changes to the submission deadlines did not result in the forecasted savings, due to the unexpected rush of development financing

application received at the closing date. The TELUS Fund will continue with two submission dates in 2019-20 and remove the May closing date. The TELUS Fund also removed duplication in application handling in the French market by merging the contracted services of coordination and analysis. The savings did not fully materialize as additional resources were required to respond to the request for information from the Commission received during the year.

Despite the challenges of the 5% cap on administration, The TELUS Fund is pleased the Commission decided to adopt many of its recommended changes to the Policy. The result of these changes is seen in the growing reach and positive impact of funded health content on the well-being of audiences in Canada, and around the world. Lessons learned reveal important missed opportunities that need to be addressed. Increasing resources will shift to sharing best practices with production companies and developing tools to help them seize these opportunities and increase the success of health content.



PARAMEDICS: LIFE ON THE LINE

This gripping documentary series follows the paramedics and dispatchers at British Columbia's Emergency Health Services, from the highly pressurized dispatch control centre to the crews on the street.

Release date: April 2019 | Episode(s): 10 x 60 min

LARK PRODUCTIONS   WEBSITE 

APPENDIX A: BOARD OF DIRECTORS IN 2018-19



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 Fund) and founding Chair of the TELUS Vancouver Community Board. Nini was also Chair of the Knowledge Network Corporation Board and a member of the Creative BC Board (1994-2013).

Her career has 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 Honorary 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, Quebec and responsible for representing Official Language Minority Community in funding decisions)

Mr. Côté currently serves as a director and Lead Director of EXFO Inc. and Lead Director on the Board of Purkinje Inc. He is Executive Chairman of the Board of HZB Pharma Canada. He also serves on the Boards of Aspire Food Group and Diagnos Inc. Mr. Côté serves on the Advisor Committee of Groupe Morneau.

Previously François has served as a director of Lumenpulse Inc., Alithya (and Lead Director), La Fondation Martin Matte and Montreal Heart Institute. He has also served as the Chair of TELUS Ventures, a global investment fund, after holding the positions of Executive Vice President of TELUS and Vice Chair, TELUS Québec, TELUS Health and TELUS Ventures in 2012. 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 has also held a variety of management positions during a 17-year career at Bell Canada, after which he spent eight years working in the health sector in Canada and the United States. Mr. Côté holds a Bachelor's degree in Industrial Relations from Laval University. In 2007, Ernst & Young named him Entrepreneur of the Year in the category of Turnaround Entrepreneur for Québec. In 2013, the Canadian Forces named him Honorary Lieutenant-Colonel of the 34th Signal Regiment.

APPENDIX A: BOARD OF DIRECTORS IN 2018-19



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 trustee of TELUS' co-managed pension plan and a director on various TELUS pension related boards and committees. Michel 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 British Columbia, Alberta and Ontario and completed senior leadership training at INSEAD, the Rotman School of Management and the Schulich School of Business.



Dr. Mike Evans

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

“Dr. Mike” is a family doctor known for his work in innovative health messaging to the public. His media lab pioneered “peer to peer healthcare”, fusing patients with creators and experts to capture evidence-based stories and then imbed them in the relationships of care. His Whiteboard series on YouTube that has been viewed by more than 12 million people.

He had a radio show on CBC's Fresh Air, was a doctor at the Winter Olympics in Sochi, Russia, and started a Med School for the Public at the University of Toronto. His work has been profiled in JAMA, BMJ, Walrus, Readers Digest, and on the hit Netflix series “Orange is the New Black”. Recent awards include the top 10 innovators in health by the Canadian Medical Association, top 45 Canadians over 45, and the Gold medal in social media at the Web Health Awards.

In 2014, he was given the first worldwide endowed chair in Patient Engagement (and Childhood Nutrition) at the University of Toronto and awarded the McNeil Medal from the Royal Society of Canada in recognition of outstanding communication of science and medicine to the public.

APPENDIX A: BOARD OF DIRECTORS IN 2018-19



Michelle Gagné

Board Member (TELUS Representative, residing in Vancouver, BC)

Michelle Gagné is a Director, Program Management Office at TELUS. She provides communications counsel and support to Josh Blair, TELUS' Chief Corporate Officer as well as manages strategic programs and initiatives, such as TELUS' sponsorship and support of Upopolis – a safe and secure online network that connects Canada's kids and teens with chronic medical conditions, and provides kid-friendly medical content to better understand diagnoses, treatments and procedures.

In addition, Michelle has served on the TELUS Ventures Advisory Bench, providing communications counsel to partner organizations across North America. She is committed to giving back to her community as a regular blood donor with Canadian Blood Services, an activity leader during TELUS Days of Giving and a volunteer at Ocean Athletics, the largest track and field and cross-country running club in British Columbia.

Michelle has 25 years of marketing and corporate communications experience at global organizations in the airline, telecommunications and technology industries. She has a Bachelor of Arts degree in Journalism from Concordia University in Montreal.



Brett Marchand

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

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 such as 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 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
Cypher	On the frontline of mental health and addiction peer support, can hip hop serve to breakdown boundaries?	Saucy Momo Inc.		1	TOR	English	Music, dance (8abc)	Digital Platform
Entangled Health	We need to save our Oceans. Our lives depend on it.	CCI Productions Inc.		2	TOR	English	Analysis, documentary (2ab)	To be determined
Growing Together (a.k.a. How to Care)	How to Care is an inspirational "how-to" for caregivers. Providing uplifting and encouraging expert advice, this series will lend a helping hand to those new to the role.	North of Now Films			VCR	English	Education, recreation, leisure (5ab)	Digital platform
Invisible Everywhere	This subversive feature documentary deploys innovative and emotional storytelling to examine the global care crisis in which the demand for caregivers to nurture and sustain children, the disabled, the ill, and especially seniors, is dramatically outstripping supply.	Catbird Productions, Inc	English in Quebec	3	MTL	English	Analysis, documentary (2ab)	To be determined
It's OK to be Awesome	Tez, a charismatic puppet, shares empowering mental wellness TEZ talks for children so they grow up knowing their worth and feeling confident.	Hemmings Films Ltd.		3	Region	English	Education, recreation, leisure (5ab)	To be determined
Ripple Effect (The)	The Ripple Effect project aims to make Canada the healthiest nation on earth by promoting four interconnected human activities – sleeping, eating, moving and thinking – that when undertaken together, exponentially increase our physical and mental well-being.	The Wells Group Inc.			TOR	English	Analysis, documentary (2ab)	Digital platform
Sunny, Eve, Lulu and Me	A short-form episodic children's television show that also has a cutting edge in-class and at-home interactive web component.	Saloon Media Inc.		2	TOR	English, French	Drama, comedy (7)	TFO
Super Care	A therapist who specializes in treating superhero clients tackles the issues that come with caregiving and attempts to prevent her clients from total burn-out.	Waterford Valley Pictures Inc.		4	TOR	English	Drama, comedy (7)	To be determined

APPENDIX B: DEVELOPMENT FINANCING CONTRACTS IN 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
Technology of Caring	Technology of Caring explores how both caregivers and patients are using new technologies to be more efficient in their jobs, have better home care and live healthier lives.	M1 Films Inc.			VCR	English	Analysis, documentary (2ab)	To be determined
Win with Me	Win with Me follows the stories of the amazing athletes who make incredible sacrifices to guide, care for and race with their Paralympic peers.	Fireweed Creative Inc.		2	Region	English	Analysis, documentary (2ab)	To be determined
Wittle	A web series and game featuring Canadian comedians talking about their real-life experiences with depression and its impact on their lives. Wittle tackles depression through humour, story and gameplay.	Embreate Inc.		1	TOR	English	Analysis, documentary (2ab)	To be determined

APPENDIX C: PRODUCTION FINANCING CONTRACTS IN 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
Aventures du Pharmachien S3 (Les)	Production of the third season going after mistruths and popular beliefs on health issues.	Datsit Studios Quinze Inc.		2	MTL	French	Analysis, documentary (2ab)	CBC / SRC Stations
Being There 2	Join health narrative expert Mike Lang as he helps caregivers see their place in the story.	2056258 Alberta Inc.			Region	English	Education, recreation, leisure (5ab)	Digital platform
Champions	Champions is a feel-good documentary that focuses on the positive impact of sport and physical health on social inclusion of people with an intellectual disability. The movie follows three Canadian athletes who are training to take part in the 2019 Special Olympics Summer World Games in Abu Dhabi.	9355-1752 Québec inc.			MTL	French, English	Analysis, documentary (2ab)	TV5- Composante télévision
Cypher	On the frontline of peer-supported caregiving, can music amplify the healing process?	Saucy Momo Inc.		1	TOR	English	Music, dance (8abc)	Digital Platform
Digging in the Dirt	The price of oil includes the mental and emotional anguish common among Alberta's oil and gas workers.	Back Road Productions Inc.			Region	English	Analysis, documentary (2ab)	CBC / SRC Stations
Growing Together	Growing Together is a visual guide for caregivers. Providing uplifting and encouraging tips and guidance, the series will lend a helping hand to those new to the role.	North of Now Films.			VCR	English	Analysis, documentary (2ab)	Digital Platform
Jenny II – Ma reconstruction	The post-cancer period is an important matter for teenagers who have been through this illness. Jenny II will follow Jenny (14 years old) who is recovering from leukemia. By facing the psychological and physical effects of her illness, she will develop tools that will help her manage her emotions and will encourage other young Canadians to use them.	9347-4732 Québec Inc. (Productions Avenida Inc.)		2	MTL	French	Analysis, documentary (2ab)	UNISStv- TV5 Québec-Canada

APPENDIX C: PRODUCTION FINANCING CONTRACTS IN 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
Locker Room Doctor S2	Doctors talk health with guys in their sacred place: at the rink playing recreational hockey.	Reframe Health Films Inc.			TOR	English	Education, recreation, leisure (5ab)	Digital platform
Misogynie 2.0	Misogynie 2.0 sheds light on cyber violence toward women and investigates the negative consequences it has on their health and well-being. It also offers informational and educational content on the issues addressed in the film and encourages civic action to change things so that we can all better live together.	9212-5913 Québec inc. (Productions de la ruelle)		3	MTL	French, English	Analysis, documentary (2ab)	CBC / SRC Stations
On joue au docteur	A health magazine program where we test our knowledge about health issues through surprising role-playing situations.	DATSIT SPHÈRE INC.		1	MTL	French	Education, recreation, leisure (5ab)	Bell Media Stations
Rat Park	In an age where drug overdose deaths have surpassed the peak of the AIDS crisis, Dopesick2 grapples with a new understanding of addiction and examines new approaches to harm reduction and drug policies.	VICE PRODUCTIONS (CZ) INC.		1	TOR	English	Analysis, documentary (2ab)	Digital platform
Stolen Lives / D'abord, ne pas nuire	This is a fresh and empathetic look at mental illness through poignant stories of people seeking better treatment.	Green Lion Productions Inc. / Les Productions du Lion Vert Inc.	English in Quebec	3	Region	English, French	Analysis, documentary (2ab)	CBC / SRC Stations
TiDoc'	TiDoc' is an entertaining and educational 2D animated series for children, ages six to nine. The series is informative and presents them with behaviours to adopt when facing small or large life illnesses. From a simple cold to cancer, TiDoc' is a friend for children and families.	GALA PRODUCTIONS INC.			MTL	French	Education, recreation, leisure (5ab)	TFO

APPENDIX D: DISCOVERABILITY FINANCING CONTRACTS IN 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
A Better Man	Exploring a unique paradigm for gender-based violence (GBV) prevention, A Better Man illuminates the healing that can happen when men take responsibility for their abuse.	Intervention Media Inc.		4	TOR	English	Analysis, documentary (2ab)	Digital platform
Anthropocene	Anthropocene is a never-before-seen marriage of documentary, photographic art, audio-visual essay and immersive virtual reality to explore the question of humanity's irrevocable influence on the planet.	Anthropocene Films Inc.			TOR	English	Analysis, documentary (2ab)	Bell Media Stations
Divided Brain	How a breakthrough discovery about the left and right brain hemispheres can help people make decisions leading to more productive lives, and how this knowledge can help our society deal more effectively with complex social problems.	Divided Brain Media Inc.		1	TOR	English	Analysis, documentary (2ab)	CBC / SRC Stations
Human + the future of our senses	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.	Ideacom International Inc.		1	MTL	French, English	Analysis, documentary (2ab)	Ici Explora, RMC Découverte, RDI, AMI, Tou.tv, TVO
Discoverability Initiative Phase 3	This project provides marketing and data expertise to selected projects and gathering lessons learned for benefit of future health content.	Magnify Digital			VCR	English, French	Not Applicable	0
Racetime	SWTIME! 2 is a sequel to the animated feature film SWTIME! and is a wild romp through the trials and tribulations, passionate joys and little victories of childhood.	CarpeDiem Film & TV Inc.	English in Quebec	1	MTL	English, French	Drama, comedy (7)	CBC / SRC Stations
Stories for Caregivers Season 2	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.	The Coup Company Ltd.			VCR	English	Analysis, documentary (2ab)	Digital Platform

APPENDIX D: DISCOVERABILITY FINANCING CONTRACTS IN 2018-19

Project Title	Logline	Production Company	OLMC	Women in leadership	Region	Language	Program Category	Distribution Platform
Superfood Chain (The)	The Superfood Chain project investigates globally trending “superfoods”, debunking health myths and revealing their unintended impact on the environment and producing communities. The project informs Canadians about nutritious and local alternatives that promote sustainability and fair practice, educating us about truly health food choices.	Fathom Film Group		2	TOR	English	Analysis, documentary (2ab)	Digital Platform

APPENDIX E: TELUS FUND FINANCIAL STATEMENTS FOR THE YEAR ENDING AUGUST 31, 2019

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 TELUS 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 TELUS 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 TELUS 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 financial statements of The TELUS Fund ("the Entity"), which comprise the statement of financial position as at August 31, 2019 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at August 31, 2019 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I have conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibility 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 Entity in accordance with the 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 opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 through 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

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.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

ALAN F. SAUCIER INC.
Chartered Professional Accountant
North Vancouver, B.C.
October 10, 2019

**The TELUS Fund
Statement of Financial Position
as at August 31, 2019**

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 1,777,171	\$ 898,915
Marketable securities (Note 2(f))	6,783,413	6,184,428
Unrealized net change in fair value of marketable securities	178,196	189,943
Interest receivable	5,112	3,228
Other receivables	2,952	1,177
	8,746,844	7,277,691
LONG-TERM INVESTMENTS (Note 2(f))	827,745	1,200,000
	\$ 9,574,589	\$ 8,477,691
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 47,596	\$ 53,634
	47,596	53,634
NET ASSETS (Unrestricted)	9,526,993	8,424,057
	\$ 9,574,589	\$ 8,477,691

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, 2019**

	2019	2018
REVENUE		
Contributions	\$ 4,758,106	\$ 4,860,943
Investment income net of fees (Note 8)	228,368	430,132
Recoupments	132,952	98,801
	5,119,426	5,389,876
EXPENSES		
Consulting fees	214,958	225,135
Marketing and communications	15,385	23,366
Honoraria	15,250	12,850
Professional and insurance fees	13,057	12,525
Board expenses	8,521	5,925
Office expense	2,976	2,525
Travel	242	406
	270,389	282,732
EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	4,849,037	5,107,144
Program funding disbursements	(3,233,380)	(3,700,125)
Project promotion and discoverability	(512,721)	(585,018)
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	1,102,936	822,001
NET ASSETS , beginning of the year	8,424,057	7,602,056
NET ASSETS , end of the year	\$ 9,526,993	\$ 8,424,057

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

**The TELUS Fund
Statement Of Cash Flows
for the Year Ended August 31, 2019**

	2019	2018
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenues over expenses for the year	\$ 1,102,936	\$ 822,001
Non-cash items affecting income:		
Unrealized loss (gain) due to decline (increase) in value of investments	11,747	(248,791)
Realized foreign exchange (gain) loss	(27,093)	(45,649)
	(15,346)	(294,440)
	1,087,590	527,561
Changes in non-cash working capital balances		
Investment in marketable securities	(571,892)	568,409
Interest receivable	(1,884)	(273)
Other receivables	(1,775)	(1,177)
Accounts payable and accrued liabilities	(6,038)	(776,465)
Amounts due to a related party		(22,290)
	(581,589)	(231,796)
	506,001	295,765
INVESTING ACTIVITIES		
Investment in long-term investments	372,255	—
INCREASE IN CASH DURING THE YEAR	878,256	295,765
CASH, beginning of the year	898,915	603,150
CASH, end of the year	\$ 1,777,171	\$ 898,915

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

Interest paid in the year was nil (2018 – nil).
Income tax paid in the year was nil (2018 – nil).

**The TELUS Fund
Notes to Financial Statements
for the Year Ended August 31, 2019**

1. Purpose and Operations

The TELUS Fund is a not-for-profit organization incorporated under the Canada Not-for-Profit Corporations Act on June 13, 2013. The TELUS 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 TELUS Fund is to encourage and support the creation of exceptional Canadian health and wellness content for television and/or digital media. The TELUS Fund receives cash contributions primarily from TELUS Communications Inc.’s broadcasting distribution undertakings as permitted by the CRTC. The TELUS Fund then makes disbursements in the form of recoupable advances to eligible productions which may be recovered, in accordance with The TELUS Funding agreements, if The TELUS 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 TELUS 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 TELUS 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, 2019

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 TELUS 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 TELUS 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 other receivables. 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 TELUS 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 TELUS 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 TELUS Fund. The TELUS 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, 2019**

3. Cash

The TELUS Fund's bank accounts are held at one Canadian financial institution. The savings bank account currently earns interest at 1.9% per annum.

4. Contributions receivable

Contributions due from TELUS Communications Inc. are non-interest bearing, unsecured, and have no specific terms of payment.

5. Related party transactions

During the year The TELUS Fund received contributions from TELUS Communications Inc.. 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. The amount receivable from TELUS Communications Inc. at August 31, 2019 was nil (2018 - nil).

6. Economic dependence

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 administered funds.

7. Amounts payable in respect of government remittances

	2019	2018
Canada Revenue Agency penalties & interest	\$ 184	\$ —

8. Investment income

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

	2019	2018
Interest	\$ 54,416	\$ 40,864
Dividends	107,049	81,340
Other investment income	55,416	78,525
Realized gain (loss) on disposition of securities	32,393	(29,898)
Foreign exchange gain	27,093	45,649
Realized investment income	<u>276,367</u>	<u>216,480</u>
Unrealized (loss) gain on (decline) increase in value	(11,747)	248,791
Less investment fees	<u>(36,252)</u>	<u>(35,139)</u>
	<u>\$ 228,368</u>	<u>\$ 430,132</u>

9. Financial instruments

(a) Fair values

The TELUS Fund's financial instruments include cash, investments in equity instruments, interest receivable, other receivables, accounts payable and accrued liabilities.

The carrying value of financial assets measured at amortized cost is \$3,044,897 as at August 31, 2019 (2018 - \$2,136,824).

The carrying amount of financial liabilities measured at amortized cost is \$47,598 as at August 31, 2019 (2018 - \$53,634).

b) Credit risk

Credit risk is the risk that The TELUS Fund will incur a loss due the failure by its debtors to meet their contractual obligations. The TELUS 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 Inc. to direct a portion of its funding to Canadian media production.

The TELUS Fund
Notes to Financial Statements
for the Year Ended August 31, 2019

9. Financial instruments (continued)

(c) Liquidity risk

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

(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 TELUS 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 TELUS 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 TELUS 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 TELUS Fund considers its currency exchange risk to be moderate as it has placed \$C 1,559,019 (2018 - \$C 1,374,460) in an investment portfolio denominated in U.S. currency.

10. Contingencies and commitments

During the years ending August 31, 2014 to 2019 inclusive, The TELUS 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 TELUS Fund has entered into commitments to make payments as follows:

	<u>2019</u>	<u>2018</u>
Funding commitments	\$ 22,022,931	\$ 19,002,784
Less disbursed funds	<u>(20,089,422)</u>	<u>(16,429,600)</u>
Undisbursed funding commitments	<u>1,933,509</u>	<u>2,573,184</u>

