

**FINANCIAL STATEMENTS**

**For**

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**For the year ended**

**JULY 31, 2022**

**INDEPENDENT AUDITOR'S REPORT**

To the directors of

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

*Opinion*

We have audited the financial statements of Commission for Complaints for Telecom-television Services Inc./ Commission des plaintes relatives aux services de télécom-télévision inc. (the organization), which comprise the statement of financial position as at July 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at July 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Basis for Opinion*

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

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

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

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Welch LLP

Chartered Professional Accountants  
Licensed Public Accountants

Ottawa, Ontario  
November 3, 2022.

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**STATEMENT OF FINANCIAL POSITION**

**JULY 31, 2022**

	<u>2022</u>	<u>2021</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash - note 4	\$ 3,396,711	\$ 3,812,063
Accounts receivable	858,846	1,343,267
Prepaid expenses	<u>269,083</u>	<u>209,360</u>
	4,524,640	5,364,690
<b>TANGIBLE CAPITAL ASSETS - note 5</b>	266,559	311,942
<b>INTANGIBLE CAPITAL ASSETS - note 6</b>	<u>70,401</u>	<u>100,302</u>
	<u>\$ 4,861,600</u>	<u>\$ 5,776,934</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities - notes 7 and 9	\$ 347,806	\$ 1,592,467
Deferred lease inducements - note 8	<u>94,347</u>	<u>84,065</u>
	<u>442,153</u>	<u>1,676,532</u>
<b>NET ASSETS</b>		
Internally restricted:		
Invested in tangible and intangible capital assets	336,960	412,244
Service delivery review fund	1,297,524	873,530
Unrestricted	<u>2,784,963</u>	<u>2,814,628</u>
	<u>4,419,447</u>	<u>4,100,402</u>
	<u>\$ 4,861,600</u>	<u>\$ 5,776,934</u>

Approved by the Board:

..... Director

..... Director

(See accompanying notes)

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**STATEMENT OF OPERATIONS**

**YEAR ENDED JULY 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>Revenue</b>		
Operating fees		
Revenue-based	\$ 5,312,805	\$ 5,221,795
Complaint-based	3,541,870	3,481,196
Annual	23,800	22,100
Special levy - note 9	651,533	244,857
Participation fees	14,000	16,500
Interest	<u>11,425</u>	<u>15,248</u>
	<u>9,555,433</u>	<u>9,001,696</u>
<b>Expenses</b>		
Payroll & related expenses	6,931,829	6,471,569
Occupancy costs	515,584	626,114
IT expenses	276,084	359,350
Communications	238,882	227,257
Human resources	218,658	263,204
Professional fees	194,978	194,808
Amortization	190,791	241,676
Board of directors costs	182,646	162,979
General & administrative expenses	84,889	156,034
COVID-19 expenses	<u>20,333</u>	<u>-</u>
	<u>8,854,674</u>	<u>8,702,991</u>
<b>Net revenue from operations</b>	700,759	298,705
<b>Service delivery review expenses - note 10</b>	<u>381,714</u>	<u>-</u>
<b>Net revenue</b>	<u>\$ 319,045</u>	<u>\$ 298,705</u>

(See accompanying notes)

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**STATEMENT OF CHANGES IN NET ASSETS**

**YEAR ENDED JULY 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>Internally restricted - invested in tangible and intangible capital assets</b>		
Balance, beginning of year	\$ 412,244	\$ 579,575
Capital expenditures	115,507	74,345
Amortization	<u>(190,791)</u>	<u>(241,676)</u>
Balance, end of year	<u>\$ 336,960</u>	<u>\$ 412,244</u>
<b>Internally restricted - service delivery review fund (note 10)</b>		
Balance, beginning of year	\$ 873,530	\$ 628,673
Expenses incurred against service delivery review fund	(381,714)	-
Transfer of special levy to service delivery review fund	651,533	244,857
Transfer of additional amounts to service delivery review fund	<u>154,175</u>	<u>-</u>
Balance, end of year	<u>\$ 1,297,524</u>	<u>\$ 873,530</u>
<b>Unrestricted</b>		
Balance, beginning of year	\$ 2,814,628	\$ 2,593,449
Net revenue from operations	700,759	298,705
Amortization charged against restricted capital assets	190,791	241,676
Transfer of special levy to service delivery review fund	(651,533)	(244,857)
Transfer of additional amounts to service delivery review fund	(154,175)	-
Capital expenditures credited to restricted capital assets	<u>(115,507)</u>	<u>(74,345)</u>
Balance, end of year	<u>\$ 2,784,963</u>	<u>\$ 2,814,628</u>
<b>Total net assets</b>		
Balance, beginning of year -		
Internally restricted - capital assets	\$ 412,244	\$ 579,575
- service delivery review fund	873,530	628,673
Unrestricted	<u>2,814,628</u>	<u>2,593,449</u>
	<u>\$ 4,100,402</u>	<u>\$ 3,801,697</u>
Balance, end of year -		
Internally restricted - capital assets	\$ 336,960	\$ 412,244
- service delivery review fund	1,297,524	873,530
Unrestricted	<u>2,784,963</u>	<u>2,814,628</u>
	<u>\$ 4,419,447</u>	<u>\$ 4,100,402</u>

(See accompanying notes)

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED JULY 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Net revenue	\$ 319,045	\$ 298,705
Adjustments for:		
Amortization	190,791	241,676
Lease inducements	<u>10,282</u>	<u>25,823</u>
	520,118	566,204
Changes in non-cash working capital components:		
Accounts receivable	484,421	(418,871)
Prepaid expenses	(59,723)	(132,785)
Accounts payable and accrued liabilities	<u>(1,244,661)</u>	<u>968,035</u>
	<u>(299,845)</u>	<u>982,583</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible and intangible capital assets	(115,507)	(74,345)
Sale (purchase) of investments	<u>-</u>	<u>1,700,000</u>
	<u>(115,507)</u>	<u>1,625,655</u>
<b>INCREASE (DECREASE) IN CASH</b>	(415,352)	2,608,238
<b>CASH, BEGINNING OF YEAR</b>	<u>3,812,063</u>	<u>1,203,825</u>
<b>CASH, END OF YEAR</b>	<u>\$ 3,396,711</u>	<u>\$ 3,812,063</u>

(See accompanying notes)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JULY 31, 2022

1. **NATURE OF OPERATIONS**

The Commission for Complaints for Telecom-television Services Inc./Commission des plaintes relatives aux services de télécom-télévision inc. ("CCTS") is constituted without share capital under Section 211 of the Canada Not-for-profit Corporations Act. The organization's mandate is to receive, to facilitate the resolution of, and if necessary, to resolve eligible Canadian consumer and small business complaints relating to certain telecommunication services and certain types of subscription television services. The organization operates on a not-for-profit basis and, as such, is exempt from income tax pursuant to section 149 (1)(l) of the Income Tax Act.

2. **SIGNIFICANT ACCOUNTING POLICIES**

*Basis of accounting*

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

*Revenue recognition*

Operating fees consist of revenue-based fees, complaint-based fees, and annual fees paid by participating service providers to fund the operations of the organization. Revenue-based fees and annual fees are recognized as revenue during the period to which they relate. Complaint-based fees are based on the number of complaints closed in the period and are recognized as revenue when the complaints are closed.

Special levy fees are recognized as revenue during the period to which the fees relate.

Participation fees consist of one-time start-up fees and are recognized as revenue on the date the service provider becomes a participating service provider.

Interest income consists of interest on overdue participation and operating fees, as well as interest earned on bank accounts, and is recognized as revenue when earned.

*Tangible capital assets and amortization*

Tangible capital assets are recorded at acquisition cost. Amortization is provided on a straight-line basis over five years in the case of furniture and equipment; three years in the case of computer equipment; and over the life of the lease in the case of leasehold improvements. In the year of acquisition, amortization is pro-rated over the number of months the asset is owned by the organization.

*Intangible capital assets and amortization*

Intangible capital assets are recorded at acquisition cost. Amortization is provided on a straight-line basis over five years for case management software. In the year of acquisition, amortization is pro-rated over the number of months the asset is owned by the organization.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2022

2. **SIGNIFICANT ACCOUNTING POLICIES - Cont'd.**

*Financial instruments*

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities, and are initially recorded at fair value. Cash is subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost at the date of the statement of financial position.

Transaction costs associated with the acquisition and disposal of financial instruments are expensed as incurred.

*Use of estimates*

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management makes estimates regarding the estimated useful life of its tangible and intangible capital assets, the collectibility of its accounts receivable and its accounts payable and accrued liabilities. Actual results could differ from these estimates.

3. **FINANCIAL INSTRUMENTS**

The organization is exposed to and manages various financial risks resulting from its operations, and does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

The organization's main financial risk exposure and its financial management policies are as follows:

*Credit risk*

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The organization's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable.

The organization's cash is deposited with a Canadian chartered bank and as a result management believes the risk of loss on this item to be remote.

Management believes that the organization's credit risk with respect to accounts receivable is limited. The organization manages its credit risk by reviewing accounts receivable aging monthly and diligently following up on collection of outstanding amounts. During the last fiscal year the organization has recorded a recovery of bad debts of \$918, which is included in general and administrative expenses (2021 - bad debts expenses of \$58,795). Management has established an allowance for uncollectible accounts receivable at July 31, 2022 of \$45,151 (2021 - \$87,582) that represents management's best estimate of potentially uncollectible accounts.

COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2022

3. **FINANCIAL INSTRUMENTS** - Cont'd.

*Liquidity risk*

Liquidity risk is the risk that the organization cannot meet a demand for cash or fund its obligations as they become due.

The organization meets its liquidity risk requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfill its obligations.

*Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The organization's financial instruments are in Canadian currency. Consequently, the organization is not exposed to foreign exchange fluctuations on its financial instruments.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates.

The organization is not exposed to interest rate risk.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. The organization does not have investments in publicly traded securities and therefore is not exposed to other price risk.

*Changes in risk*

There have been no significant changes in the organization's risk exposures from the prior year.

4. **CASH**

Cash consists of the following:

	<u>2022</u>	<u>2021</u>
Current chequing account	\$ 294,265	\$ 320,019
Premium investment savings account	<u>3,102,446</u>	<u>3,492,044</u>
	<u>\$ 3,396,711</u>	<u>\$ 3,812,063</u>

The premium investment savings account earns interest which is received monthly.

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**NOTES TO FINANCIAL STATEMENTS - Cont'd.**

**YEAR ENDED JULY 31, 2022**

**5. TANGIBLE CAPITAL ASSETS**

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Furniture and equipment	\$ 416,746	\$ 333,517	\$ 378,449	\$ 309,710
Computer equipment	957,668	839,400	888,209	748,365
Leasehold improvements	<u>213,881</u>	<u>148,819</u>	<u>213,881</u>	<u>110,522</u>
	1,588,295	\$ 1,321,736	1,480,539	\$ 1,168,597
Accumulated amortization	<u>1,321,736</u>		<u>1,168,597</u>	
	\$ 266,559		\$ 311,942	

**6. INTANGIBLE CAPITAL ASSETS**

	<u>2022</u>	<u>2021</u>
Case management software	\$ 681,489	\$ 673,739
Accumulated amortization	<u>(611,088)</u>	<u>(573,437)</u>
	\$ 70,401	\$ 100,302

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities consists of the following:

	<u>2022</u>	<u>2021</u>
Accounts payable and accrued liabilities	\$ 383,666	\$ 1,626,520
Government remittances payable (recoverable)	<u>(35,860)</u>	<u>(34,053)</u>
	\$ 347,806	\$ 1,592,467

**8. DEFERRED LEASE INDUCEMENTS**

The organization has entered into a long-term lease agreement which provides twelve months of free rent over the term of the lease as outlined in the lease agreement for the third floor, and three months of free rent over the term of the lease as outlined in the lease agreement for the fourth floor. Rent revenue is calculated by expensing the actual payments being made evenly over each month of the lease term. The deferred lease inducement amount represents the unamortized balance of the rent free periods.

COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2022

9. YEAR-END FEE ADJUSTMENT

The operations of the organization are funded primarily by two types of fees charged to participating service providers:

1. Revenue-based fees - Billed to participating service providers with eligible retail revenues greater than \$10 million, based on their proportionate share of those revenues; and
2. Complaint-based fees - Billed to those participating service providers based on the number of the provider's complaints concluded in the fiscal year, and the level of the process at which they are concluded.

Under the Participation Agreement, revenue-based fees are to cover 60% (2021 - 60%) of total expenses while complaint-based fees are to cover 40% (2021 - 40%) of total expenses.

During the year, the amount invoiced to participating service providers is calculated so as to generate sufficient revenues to match budgeted expenses, based on management's projections of the year's anticipated operational activities. At the end of the year these two categories of fees are adjusted to reflect both the 60% / 40% split and to match the total expense figure of \$8,854,674 (2021 - \$8,702,991).

Revenue-based fees were adjusted downwards as the actual amount billed to revenue-based fee payors was more than 60% of the actual expenses of the organization. Complaint-based fees were adjusted upwards because the actual amount billed to complaint-based fee payors was less than 40% of the actual expenses of the organization.

Summary of Year End Fee Adjustment:

	<u>2022</u>	<u>2021</u>
Revenue-based fees adjustment	\$ 1,052,834	\$ 838,039
Complaint-based fees adjustment	<u>(401,301)</u>	<u>713,567</u>
	651,533	1,551,606
Retained as Special levy	<u>(651,533)</u>	<u>(244,857)</u>
Year end fee adjustment (included in accounts payable and accrued liabilities)	<u>\$ -</u>	<u>\$ 1,306,749</u>

In addition, under Section 27 of the Participation Agreement a special levy can, by Extraordinary Resolution of the Members, be billed to the participating service providers for the purposes of funding the organization. In 2022, the Members approved a special levy equal to the full amount of the true-up, which was calculated to be \$651,533 (2021 - a special levy of \$244,857 was approved) and this amount has reduced the amount otherwise owing to participating service providers.

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**NOTES TO FINANCIAL STATEMENTS - Cont'd.**

**YEAR ENDED JULY 31, 2022**

**10. SERVICE DELIVERY REVIEW PROJECT**

Given the size and scope of the service delivery transformation project which will update the Organization's systems and processes, CCTS is exposed to specific unique risks associated with the implementation of larger projects and Management and the Board are both aware of and are managing these risks accordingly. Management has established specific project timelines and budgets and the Board has internally restricted some of the Organization's net assets for the purpose of implementing this project over the coming fiscal years.

The purpose of the Service Delivery Review internally restricted fund is to provide a source of funding for all aspects of the CCTS service delivery review project, including the upgrade of technology platforms in future years. In the current year, the Board resolved to transfer the amount of the 2022 special levy to this fund.

The Board has also approved the use of these internally restricted funds for expenditures related to this project starting in the current year. These expenditures are comprised of:

Project management	\$ 120,281
IT project - strategic advisor	92,374
Legal - service delivery review	83,016
Consultants - hardware & software	48,288
SDWG independent consultant	25,500
Committee meetings - SDWG	10,950
Other expenses	1,305
	<u>\$ 381,714</u>

Prior to the current fiscal year, the organization had used its unrestricted net assets, rather than internally restricted funds, to cover the initial costs related to the Service Delivery Review project. These costs in the previous fiscal year totalled \$43,631.

**11. AVAILABLE CREDIT**

The organization has access to credit through Visa credit cards with a total credit limit of \$100,000. The credit cards are paid in full each month. The company also has access to an operating line of credit. The interest rate on the line of credit is bank prime plus 1.00% and the authorized limit of the line of credit is \$2,000,000. The operating line of credit is secured by a general security agreement. No balance is outstanding at July 31, 2022 (2021 - \$nil).

**12. COMMITMENTS**

As of July 31, 2022, the organization has one ongoing lease for its premises and one for equipment. The main office lease expires June 30, 2027 and the equipment lease expires on December 31, 2023.

Annual minimum lease payments over the next five years are as follows:

	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
2023	\$ 702,518	\$ 1,170	\$ 703,688
2024	745,485	-	745,485
2025	753,085	-	753,085
2026	753,085	-	753,085
2027	<u>732,315</u>	<u>-</u>	<u>732,315</u>
	<u>\$ 3,686,488</u>	<u>\$ 1,170</u>	<u>\$ 3,687,658</u>

**COMMISSION FOR COMPLAINTS FOR TELECOM-TELEVISION SERVICES INC./  
COMMISSION DES PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOM-TÉLÉVISION INC.**

**NOTES TO FINANCIAL STATEMENTS - Cont'd.**

**YEAR ENDED JULY 31, 2022**

**13. RELATED PARTIES**

Service providers from which the organization purchases telecommunications services may be considered related parties, as they are entitled to participate in the appointment of directors. The organization enters into transactions with these related parties in the normal course of business and transactions are recorded at their fair value. As a result, separate disclosure of these transactions is not presented within the financial statements.